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Sub-Saharan Africa Report

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ANGOLA

JOURNALIST DESCRIBES MAVINGA AS WRECKED TOWN

Johannesburg THE STAR in English 6 May 86 p 17

[Article by John D'Oliveira]

[Text] MAVINGA — Mavinga was once a quiet, pleasant, relatively prosperous outpost of the Portuguese empire, basking in the hot Angolan sun.

Its main feature was wide streets lined with heavily laden orange trees. Children once picked the oranges on their way to school.

It had a post office, a few shops, a government administrative post, a few posh homes and about 45 houses which would not have been out of place in the average village back home in Portugal.

As guerillas challenged Portuguese colonialism in later years, it received its quota of soldiers.

Surrounding the town were fields of maize and other crops.

Today, after being washed by successive waves of the Angolan civil war, Mavinga is a deserted shell of a town, its buildings wrecked, its people gone, its gardens and fields overgrown.

EMPTY CARTRIDGE CASES

Its streets are strewn with empty cartridge cases, its ruins pock-marked by bullets.

In odd spots, Unita has placed mines to harass its enemies.

The Portuguese community fled in 1974 and 1975 and, after Angolan independence, Unita

took over the town, maintained it intact and hoped to develop it into a significant settlement.

"Cubans forced us out in 1976, but we soon retook the town", said a Unita officer as he showed a party of journalists the empty streets.

"In 1979 they came and bombed Mavinga and reduced it to what you see here. At the same time, they took the town again. We retook it in 1980 and we have held it ever since.

"We tried to rebuild it, but in 1981 and every year since then the Cubans and Fapla (the Angolan Government forces) have attacked ... so rebuilding is impossible".

So, while Mavinga is well-known today, it is no more than a place on the map, the focal point of a major battle between the Unita rebel movement and Fapla forces.

OFFENSIVE EXPECTED SOON

By all accounts it will be the focus once again when Fapla launches its expected offensive against Unita within the next few weeks — a battle they hope will be the decisive battle of the 10-year civil war.

As both sides wait for the battle, Mavinga itself is without life — with the exception of the orange trees.

These have survived the fight between Unita and the Portuguese and the later contests between Unita and Fapla.

Only time will tell whether the oranges will be picked by Unita or by Fapla — or whether there will be any orange trees left to pick.

ETHIOPIA

SADC REPORTS INCREASED PRODUCTION

Addis Ababa THE ETHIOPIAN HERALD in English 19 Apr 86 p 1

[Article by Melkam-Tesfa Beyene: "Agricultural Devt. Corporation Registers Increased Production"]

[Text] The Southern Agricultural Development Corporation has registered increased production in the 1977/78 Ethiopian year.

This was disclosed by Comrade Gezmu Eshete, Acting General Manager of the corporation. He stated that in the production year under review, the corporation has cultivated over 102,000 hectares of land on its 17 farms which are made up of three agricultural enterprises. With regard to the cultivation of land, over 95 per cent of the plan was accomplished, it was learnt. The corporation produced during this time about 1.8 million quintals of cereals, including corn, oil seeds, fiber as well as fruits. Out of this total, 73 per cent accounted for cereals while 21 per cent for corn. It was learnt that 82 per cent of the plan with regard to harvesting has been accomplished and production per hectare was 17.51 quintals.

According to Comrade Gezmu, the amount of land cultivated during previous production year was 91,839 hectares, and the output was around 1.3 million quintals. Production per hectare was 14.50 quintals, he added.

He noted that in line with the directives of the politburo of the CC of WPE, measures were taken to combat

drought on the part of the corporation. Henceforth, the corporation has produced 87,256 quintals of food crops, through the effective utilization of the 'belg' rains. In general, he stated, production per hectare as well as production in gross has increased in 1977/78 production year compared to the past five consecutive years. He attributed the increase of production to the effective utilization of the 'belg' rains, which enabled the corporation to get two harvests in a year, effective utilization of machines and equipment as well as the application of work incentives, which were fully enforced in the 1977/78 production year. This has brought about a 60 per cent increase in efficiency of machines and equipment.

The corporation runs 50 per cent of the entire state farms in the country and contributes the bulk of the output, it was stated.

The corporation suffers from shortage of skilled manpower. And the general manager said measures are being taken to overcome the problem. He finally expressed optimism that the corporation will further increase its production in the next production year.

ETHIOPIA

RELOCATIONS UNDER VILLAGIZATION PROGRAM ANNOUNCED

Shoa Region

Addis Ababa THE ETHIOPIAN HERALD in English 1 Apr 86 p 3

[Text] **ZIWAY (ENA)** — Families have moved into five of the 15 villages under construction in Lanforo district of Haikotch-Butajira province, Shoa region, it was reported here yesterday.

Family heads numbering 1,037 have moved into the households and building of houses planned to accommodate 4,856 peasant members said is to be fast in progress.

Peasant association, as well as REYA and REWA members in the

area said to have contributed and continue contributing towards the success of the villagization programme.

The houses just completed were visited over the weekend by Comrade Alemayheu Gebre-Yesus, Head of WPE Ideological Affairs of Haikotch-Butajira province, as well as by other provincial party and government officials.

Kaffa Region

Addis Ababa THE ETHIOPIAN HERALD in English 1 Apr 86 p 3

[Text] **JIMMA (ENA)** — Over 175 peasants' villages have been set up in three provinces of Kaffa region in the past six months as part of the villagization scheme.

A considerable number of peasants have been settled in 17,759 dwelling units built in the 175 villages.

The new peasant villages were recently inspected by Comrade Begashaw Ataly, member of the CC of the WPE and First Secretary for the WPE Committee of the region.

Comrade Begashaw reminded the peasants the advantages of the programme.

Arssi Region

Addis Ababa THE ETHIOPIAN HERALD in English 11 Apr 86 pp 1, 6

[Text] Assela (ENA)--Around 76,959 family members were recently settled in 22,255 dwelling units built in 89 villages in Golelcha district of Arba-Gugu province in Arssi region.

It was also revealed that the various service rendering facilities built for new settlers have already started providing service.

The facilities include 1,711 lavatories, 876 garbage pits, 1,100 pens, 7 parks, 12 assembly halls, 34 literacy education classes, 12 offices and 22 multi-purpose rooms.

The work on 39 villages in 50 peasants associations in the district has already been completed. Work on 89 villages of the planned total was also completed in the district, it was noted.

Hararghe Region

Addis Ababa THE ETHIOPIAN HERALD in English 15 Apr 86 p 1

[Text] **GELEMSO (ENA)** — Around 16,222 family heads were settled in 50,090 dwelling units built in 707 villages in Habro province of Hararghe region recently as part of the villagization scheme in this part of the country.

The provincial WPE Committee

office, disclosed that the villages have 2,197 latrines, 1,200 garbage collection pits and 48 elementary schools, 10 cooperative shops and 10 parks. Drilling of water wells for use by the settlers is well under way by the Ethiopian Water Works Construction authority.

/12851

CSO: 3400/1655

ETHIOPIA

BRIEFS

SQUAD COMPLETES COURSE--Bahir Dar (ENA)--Twenty-eight revolution defence squad members drawn from Bahr Dar Zuria district of Gojjam region graduated recently after completing a nine-month military and ideological training course. Certificates to the batch and prizes to excelling ones among them were handed out by Comrade Alebachew Alemayehu, administrator of the district. [Text] [Addis Ababa THE ETHIOPIAN HERALD in English 4 Apr 86 p 5] /12851

BOLE AIRPORT IN OPERATION--(ENA)--The airfield at Bole International Airport which was under repair since January has resumed its normal operation yesterday. The airfield, whose maintenance took 85 days, has cost altogether 13.2 million birr. It is to be recalled that the Debre Zeit Airport was giving services to major aeroplanes during the maintenance period. Further maintenance and repair work has been envisaged from May 10 to May 30, 1986 at the Bole Airport without affecting the regular flight service, together with a similar programme in 1987. [Text] [Addis Ababa THE ETHIOPIAN HERALD in English 16 Apr 86 p 1] /12851

CSO: 3400/1656

GHANA

MOVES TO EXPORT EXCESS PALM OIL, AVOID WASTE

Accra PEOPLE'S DAILY GRAPHIC in English 18 Apr 86 pp 1, 4

[Text]

THE Ministries of Agriculture, Trade and Industries, Science and Technology, are working out modalities under which the excess palm oil in the system would be exported to other countries under barter arrangement.

This move has become necessary because the national palm oil output has more than doubled mainly through the efforts of farmers.

According to a very reliable source in Accra, about 50,000 metric tonnes of palm oil was projected for 1986. However, this season's yields clearly indicate that the country might hit between 75,000 and 80,000 metric tonnes which is far above the national requirement of 39,000 metric tonnes.

This means that there would be a surplus of about 38,000 metric tonnes which in the present circumstances would have to be exported.

The source conceded that even though the price of the country's palm oil is not competitive on the international market "there is so much in the system that we cannot allow it to go waste".

It, however indicated that the soap manufacturing factories have been urged to make full use of the oil glut because under no circumstances will the government allow any factory to import any form of oil to produce soap.

It explained that the export drive is being embarked upon to avoid frustration within the oil palm industry which before the advent of the December 31 Revolution had completely collapsed. It has however been revived through various forms of assistance and encouragement from the government and other international organisations.

/12851
CSO: 3400/1645

GHANA

STATE COMPANY REFUSES TO BUY STATE PLANTATION PRODUCE

Accra PEOPLE'S DAILY GRAPHIC in English 15 Apr 86 p 4

[Article by Samuel Kyei-Boateng: "SOPP Loses C7m in Revenue"]

[Text]

THE State Oil Palm Plantation (SOPP) at Okumaning, near Kade has between February 20 and March 10 this year, lost more than C7 million in revenue owing to its inability to get good market for its farm produce.

And unless quick and lasting solution is found to the marketing problem, the plantation will continue to make weekly losses of C1,680,000 since large quantities of palm fruits get rotten daily.

As a result of this, the plantation has not been able to pay March salaries to its 830 workers.

These came to light last Thursday when the staff of West Akyem District CDR Secretariat and the Kade People's Militia joined the workers to work on the plantation.

Mr Abboah Offei, assistant plantations manager who later conducted the team round the various divisions of the plantation,

stated that his outfit now harvests only 80 out of the expected weekly 200 metric tonnes of palm fruits and sells to individual buyers for C8,000 per tonne instead of the original producer price of C14,000 per tonne paid by Ghana Oil Palm Development Corporation (GOPDC) which until the middle of February was its sole customer.

The assistant plantations manager felt the GOPDC's decision not to buy the produce from any of the 24 State Oil Palm Plantations again was a sabotage to the national economy because "we see no reason why it continues to buy the fruits from individual farmers some of who buy our produce at reduced price and resell to GOPDC". He, therefore called on the government to investigate the matter and if possible find an alternative market for the produce, failure of which, he stressed will scare prospective oil palm growers.

/12851

CSO: 3400/1645

GHANA

PBC OUTLINES CURRENCY NEEDS FOR CROP PURCHASES

Accra PEOPLE'S DAILY GRAPHIC in English 14 Apr 86 p 4

[Text]

THE Produce Buying Company (PBC) of the Ghana Cocoa Board (COCOBOD) will need about C14 billion to purchase some 163,357 tonnes of cocoa during the next main crop season with the new price of 85,000 cedis per tonne.

The company will also need about C448 million to purchase 16,000 tonnes of sheanuts before the commencement of the 1986/87 main crop season.

These were disclosed by Mr Mac Awuku-Bonsu, managing director of the PBC, at a day's seminar and the inauguration of the Senior Staff Association of the company in Kumasi at the week-end.

Mr Awuku-Bonsu said these purchases require ef-

ficient management and co-operation of middle management personnel.

He called on members of the new association to ensure that bottlenecks which had hampered the efficient running of the company are removed.

According to Mr Awuku-Bonsu, the PBC had spent about 3.8 million cedis to train personnel of the company in its 3,510 buying centres.

Mr J. M. Quao, Deputy Managing Director of PBC, in charge of Administration and Finance, who spoke on the "Role of Middle-level Manpower in the Post-Restructured Cocoa Industry", called for efficiency "through effective utilisation of human resources at all levels of the company"

/12851

CSO: 3400/1644

GHANA

IDDRISU RETURNS FROM BCP, UN VISITS

Accra PEOPLE'S DAILY GRAPHIC in English 18 Apr 86 pp 4, 5

[Text]

A MEMBER of the PNDC, Alhaji Mahama Iddrisu, returned home yesterday after leading two delegations to Sofia and New York.

In Sofia, he attended the regular congress of the Bulgarian Communist Party at the invitation of that government.

Alhaji Iddrisu told newsmen at the Kotoka International Airport that the delegation was highly impressed by the level of commitment of the people of Bulgaria to the national cause.

The delegation, he said met some members of the Central Committee of the Bulgarian Communist Party and discussed the possibility of assistance to Ghana in the area of housing and training of cadres.

These discussions would feature at the next session of the Ghana-Bulgaria Joint Permanent Commission for Economic and Technical Co-operation, he added.

He was accompanied to Bulgaria by Mr Kwamena Ahwoi, Co-ordinator of Revenue Commissioners, Investigations and Tribunals, who returned home earlier.

In New York Alhaji Iddrisu was joined by Lt-Col (rtd) E. K. T. Donkor, Chief of Staff at the PNDC Headquarters and Col Martin Gbikpi, Financial Controller at the Ministry of Defence.

The delegation met the UN Secretary-General Mr Perez de Cueller and presented to him a special message from the PNDC Chairman, Flt-Lt J. J. Rawlings, expressing Ghana's concern over the deteriorating situation in Southern Lebanon.

Alhaji Iddrisu said he assured the Secretary-General of Ghana's continued support and contribution to the United Nations Peace-Keeping Force in the Middle East.

According to the PNDC member, the delegation deliberated on the world body's indebtedness to Ghana.

The UN is yet to settle arrears of more than 20 million dollars due to Ghana.

Alhaji Iddrisu said he extended an invitation from the Chairman of the PNDC to the Secretary-General and the President of the Security Council to visit Ghana later this year.

/12851
CSO: 3400/1644

GHANA

MANUFACTURERS URGED TO UTILIZE FOREIGN MISSION

Accra PEOPLE'S DAILY GRAPHIC in English 12 Apr 86 pp 1, 4

[Article by Wendy Asiamah]

[Text]

DR Francis Acquah, Secretary for Industries, Science and Technology, has called on Ghanaian manufacturers to use the country's foreign missions to sell their products outside the country.

To facilitate the work of Ghana's missions abroad, Dr Acquah has urged manufacturers to prepare brochures on their products giving detailed information and statistics to help their overseas customers.

These observations were made when the Secretary met manufacturers at the Trade Fair Site in Accra yesterday.

Dr Acquah called for the re-examination of the mechanism needed to support the government's export drive which includes the production of goods to meet the required standard and also studying the export markets for their products.

"Some countries do not even have the resources which Ghana has yet they have been able to penetrate the world's export market", he noted.

He asked the Association of Ghanaian Industries (AGI) to discuss how the sector could tap the resources of the country, adding "I want to see the production of surplus goods for the export market to earn money to support yourselves and those who do not earn foreign exchange".

The manufacturing sector, he said, had depended on the availability of foreign exchange to such an extent that any time no foreign exchange is made available to bring in needed raw materials to operate the factories, the sector suffers.

The only way the manufacturing sector can come out of the foreign exchange problem is by stepping up production for export to earn more.

His ministry, Dr Acquah told the meeting, is determined to revamp the export market for their benefit.

"This cannot be done without consultations with organisations such as the Bank of Ghana, Customs and Excise Department, Ministry of Trade and the Export Promotion Council.

/12851

CSO: 3400/1644

GHANA

BRIEFS

EEC AID FOR RURAL BANKS--The European Economic Community (EEC) is to grant loans totalling seven million European Currency Units (ECU) about \$500 million to the Rural Banking Department of the Bank of Ghana for the second phase of the Economic Recovery Programme. The loans which will go to 60 rural banks will be in the form of agricultural and fisheries equipment, agro-chemicals and crop procession plants. These were disclosed to newsmen at the fourth annual general meeting of the Ghana National Association of Rural Banks in Kumasi at the weekend by Mr H. L. Slothouwer, Agricultural Adviser of the EEC delegation. Mr Slothouwer said the increase in the loan from about 2.4 million European Currency Units in the first phase of the Economic Recovery Programme demonstrated the confidence the EEC has in the rural banking system in the development of the rural areas. [Text] [Accra PEOPLE'S DAILY GRAPHIC in English 14 Apr 86 p 8] /12851

ISLAMIC BANK TEAM ARRIVES--A three-man delegation from the Islamic Development Bank led by the executive director, Mr Omar Abdullah Sejiney, flew into Accra from Jeddah, Saudi Arabia, on Thursday to begin a five-day study tour of the country. Speaking to newsmen on arrival at the Kotoka International Airport, the executive-director said the delegation was in the country to study how best the bank, based in Jeddah, could assist the Muslim Community in Ghana to improve their living standards. Mr Sejiney said the visit was a follow-up to one made last February by another delegation from the bank during which it discussed with the Government the bank's assistance to the country, including the offer of scholarships to Ghanaian Muslim students to pursue courses in Agriculture and Engineering in Ghanaian universities. He said the bank's assistance would be directed mainly to the northern part of the country where educational development was lacking. To this end, he said, the bank intended to upgrade the Nyankpala Agricultural Institute to an agriculture college and eventually to a full fledged university. [Text] [Accra GHANAIAI TIMES in English 12 Apr 86 pp 1, 3] /12851

SAUDI CHARGE ADVISES MUSLIMS--Sheikh Anwar I. Abdrabbuh, Charge d'Affaires of the Royal Saudi Arabian Embassy in Ghana, has advised Muslims to be on the look-out for Islamic institutions which tend to trade with the religion and attempt to promote anti-islamic interests. Sheikh Abdrabbuh made the call at a symposium organised by the Supreme Council for Islamic Call and Research in Accra at the weekend. Speaking at the ceremony, Mr Mohammed Rawal Veryamani,

Ambassador of the Islamic Republic of Pakistan in Ghana, called on Muslims to take a keen interest in education and try to foster unity among nations since they are two vital weapons for advancement. Sheikh M. M. Gedel, an expert in Sunnah Studies, referred to the bitter experiences that man had had to go through as a result of racial and tribal discriminations and called on Muslim organisations not to use tribalism as a tool to win more people. [Text] [Accra PEOPLE'S DAILY GRAPHIC in English 15 Apr 86 p 5] /12851

COCOA PRODUCTION UP 24 PERCENT--Ghana's cocoa production for the 1985-86 season shot up by 39,000 tonnes to 204,734 tonnes. This represents an increase of 24 percent over last year's total purchases of 165,000 tonnes. Mr Mac Awuku Bonsu, managing director of the Produce Buying Company (PBC) of the COCOBOD, disclosed this to me in an interview in Accra yesterday. In the case of sheanut, Mr Bonsu said the PBC budgeted for 10,500 tonnes but purchased about 42,000 tonnes for the 1985-86 season. Giving the breakdown of cocoa production on regional basis, the managing director said the Western Region maintained its lead in cocoa production in the country with 59,000 tonnes as against its own production of 48,000 tonnes last year, which was also the highest on regional basis. Ashanti Region followed with 52,000 tonnes while Brong-Ahafo Region placed third with 35,000 tonnes. Eastern, Central and Volta followed with 31,000, 25,000 and 862 tonnes, respectively. [By Robert Bentil] [Text] [Accra GHANAIAN TIMES in English 15 Apr 86 p 1] /12851

JOINT JAPANESE TV VENTURE--Ghana Sanyo Limited, an electronic company at Tema, will by next June put on the local market colour television sets to meet the changeover from black and white to colour television. The company also intends to produce kerosene refrigerators and gas cookers for the rural areas to reduce the heavy dependence on wood as a source of energy in these areas. This came to light when the Secretary, for Industries, Science and Technology, Dr Francis Acquah, visited the factory at the weekend in connection with the 20th anniversary celebration of the company. [Text] [Accra GHANAIAN TIMES in English 14 Apr 86 p 1] /12851

FARMERS SEEK MALAYSIAN MARKET--Sugar cane growers in the country are negotiating with Malaysia to buy their produce which have been neglected since the collapse of the sugar factories in the country. According to the organiser of sugar cane growers in the Central Region, Mr I. K. Bentum, a lot of people went into sugar cane farming to feed the Ghana Sugar Estates but with the collapse of the estates, farmers have had to struggle to look for markets for their produce. Mr Bentum was speaking to the 'Graphic' at the stand of the Great Africa Cooperative Fisheries and Services Union Limited at the Akuafo Exhibition organised by the Ghana Library Board in Accra yesterday. Mr A. A. Lartey, chief Administrative Manager of the union later disclosed that the union would soon take delivery of two tuna boats and two trawlers, with which they hope to increase the market of fish and shrimps. He said it was their desire to help fight and completely eradicate "kwashiorkor" from the whole of Africa. [By Zenobia Ofori-Dankwa] [Text] [Accra PEOPLE'S DAILY GRAPHIC in English 12 Apr 86 p 3] /12851

CSO: 3400/1645

GUINEA-BISSAU

CAPITAL CITY PLAGUED BY SHORTAGES OF OIL, FOOD

Lisbon DIARIO DE LISBOA in Portuguese 1 Apr 86 p 12-13

[Article by Jose Antonio Salvador: "Guinea-Bissau Lacks Money for Oil"]

[Text] ANOP--When a citizen of Guinea living in Bissau gets up in the morning, his first concern is where he can buy rice, fish or meat.

The question of work, if he is not unemployed, becomes secondary to the effort needed to manage to purchase foodstuffs.

The problem of supplies in the capital is becoming increasingly difficult, and it is related to the shortage of fuels and the food products themselves.

There is no gas-oil for the traditional fishing vessels or for the transportation of passengers and goods. As a result, no fresh fish reaches the capital of Guinea, nor do the residents in the interior dare to travel to Bissau to sell their farm products.

Without carts and ships, the problem of supplying a city which produces practically nothing, because there is a concentration here of government employees, security, police and armed forces personnel, above all, becomes more problematical.

Apparently no one is upset by the situation, because it is always possible to find a solution through the blackmarket.

Most conversations develop around this theme. "I found rice at such-and-such a place today." "I left work this morning to buy oil." "Make your purchases in foreign exchange or pesos." These comments, which fill the daily lives of the citizens of Guinea in the capital, could be quoted endlessly, and they are only a few examples of a variety of situations and foodstuff shortages.

The Blackmarket

For the citizens of some means, there is the possibility of recourse to the blackmarket (the "clando"), where everything, including fuels, can be found at triple the legal price.

Foreigners, who are paid in pesos (Guinea-Bissau currency) and dollars, can have recourse to Interloja or a little jaunt to Senegal or Gambia.

During the Easter season, there was a veritable exodus of foreigners, Portuguese citizens in particular, from Bissau to Ziguinchor and Gambia. The reasons were to get away a bit from the difficulties experienced in Bissau and to make purchases.

The energy crisis is also affecting the hotel business in Bissau. Currently the only facilities operating are the 24 September Hotel, where one must pay in foreign exchange (the national currency of Guinea is not accepted) and the Berta Pension, where the Portuguese cooperative workers (the worst paid and housed) ordinarily eat.

The well-known Grand Hotel is closed for repairs, while its former director remains in prison, having been convicted of complicity in the attempted coup d'etat involving Paulo Correia.

But the 24 September Hotel, managed by a Portuguese enterprise affiliated with the TAP, provides an illustration of the difficulties resulting from the fuel crisis. There are no cold drinks, while at other times there is no ice and sometimes not even glasses, because there is no water to wash them.

Since the 24 September Hotel is the principal and almost the only such hostelry in Bissau, these situations illustrate the daily life of the privileged class in Guinea.

As a result of the energy crisis, there is an ever greater shortage of electrical energy in Bissau, and private generators as well have been shut down for lack of gas-oil.

The public enterprise which distributes fuels is selling gas-oil to the embassies and other foreign representations if they can pay in Senegalese francs.

Fishing Vessels Paralyzed

The mixed fishing enterprises have not been supplying fish for almost a month. Even Estrela do Mar (a mixed Guinean-Soviet enterprise), which supplies the market with greater regularity, has made fewer deliveries.

The lines of people waiting to purchase gasoline are endless, and each vehicle receives only 20 liters, if the driver is lucky enough to get to the pump before the supply is gone.

There is no information as to when this situation might be normalized. Angola has suspended its deliveries of fuels to Bissau because of economic difficulties resulting from the drop in the dollar and the price of oil per barrel. The USSR will probably dispatch a fuel tanker to Guinea-Bissau, but it is not known when it might arrive or what quantity will be involved.

This entire energy crisis is making capital problems greater. And the foreigners are becoming accustomed to living like the citizens of Guinea--in the hope that the next day will be better and that such a vessel will arrive bringing fuel.

LIBERIA

PRESIDENTIAL SECURITY INCREASED, ISRAELI TRAINING

London AFRICA CONFIDENTIAL in English 9 Apr 86 p 8

[Text]

Following last year's rigged elections and the subsequent failed coup attempt led by Gen. Thomas Quiwonkpa, President Samuel Doe's security staff has been almost doubled. Many of the new recruits are from his Krahn tribe in Grand Gedeh county. The Israeli security service is playing a major role in their training.

The *Special Anti-Terrorist Unit (SATU)* largely trained by the Israelis last year has increased its manpower to 359 at the last count. Local reports estimate SATU to be 95%-composed of Krahn personnel. At Sugar Beach, 13 miles from Monrovia, the Israelis are also training a 1,700-strong *Special Military Squad*, which will be deployed exclusively for Doe's protection.

Surveillance, especially around Monrovia, has been stepped up under the aegis of the *Joint Security Agency*, which acts as a liaison unit between the *National Security Agency (NSA)*, the *Special Security Service*, the *Criminal Investigation Department*, the *Coast Guard*, the military and the police. Road blocks are regularly set up and manned between 22.45 hrs and 6.45 hrs.

SATU and the NSA appear to have access to funds on request. Local sources believe the NSA receives \$3m quarterly from the *United States* government. Staff of all security agencies are paid promptly, in contrast to other civil servants, many of whom have not been paid for four months.

The most recent Liberian ministry of defence documents available confirm that there are at least 116 detainees at Belle Yella prison in the provinces. Of the 116, 20-25 are from the military or para-military. Seven prisoners were taken there shortly after the coup attempt. Each of the seven has been sentenced to a year's prison; none has been tried or even charged. Overall, sentences range from six months to five years. Of the military detainees, there are seven privates, seven sergeants, two corporals, one lieutenant, one captain, one major and one brigadier-general (*Emmanuel Sayon*). At least 30 coast-guard and army personnel recently incarcerated at Belle Yella have yet to be listed on ministry of defence documents. Torture and hard-labour are standard practices at Belle Yella.

/12851

CSO: 3400/1663

MALAWI

COMMUNICATIONS, TRANSPORT AGREEMENT WITH TANZANIA

Blantyre DAILY TIMES in English 28 Apr 86 p 1

[Text] **TANZANIA and Malawi have agreed to further cement the existing bilateral relations by stabilising their communication and transport infrastructure.**

According to agreed minutes signed in Dar-es-Salaam the Malawi Government will formalise the lease of land in Dar-es-Salaam and Mbeya for erecting cargo handling facilities.

The Malawi Government will also provide more cargo handling facilities at the Dar-es-Salaam port and the Mbeya-Tazara station to ease transportation of its cargo.

The minutes were signed on Friday by the principal secretary in the Ministry of Communications and Works, Odira Ongara and the Malawian secretary of the Ministry of Transport and Communications.

Under the agreed minutes, the Tanzania-Zambia Railway Authority (Tazara) and the Tanzania Harbours Authority (THA) have been called upon to continue handling

Malawian imports and exports and to speed up their transportation.

The Malawi Government has indicated its intention to traffic 420,000 tonnes of cargo annually through the port of Dar-es-Salaam and has appealed to the Tanzania Harbours Authority and Tazara to arrange good handling plans for the anticipated goods.

Earlier, a Tazara official told pressmen that his authority was currently handling and transporting an average of 4,000 tonnes of Malawian goods monthly.

It was noted during the signing of the minutes that Malawi was busy planning to improve the road from Karonga to Ibanda on the Tanzania-Malawi border and was looking for financiers of the road project, which is assisted by the World Bank.

Tanzania and Malawi are expected to have more talks in May this year when a joint commission meeting will be held to discuss further areas of co-operation.

The Malawi delegation left for home after three days of talks.

/12828

CSO: 3400/1685

MALAWI

COMMERCIAL COAL MINING INITIATED IN RUMPHI DISTRICT

Blantyre DAILY TIMES in English 30 Apr 86 pp 1, 3

[Article by Samuel Chunga]

[Text] **MALAWI has started commercial mining of coal with bright prospects as its coal has turned out to be among the best in the Africa sub-region, it was learnt in Lilongwe this week.**

The Mining Investment and Development Corporation (Midcor) — a newly-formed body overseeing the mining, processing and marketing of minerals in Malawi and elsewhere — disclosed this to the 'Daily Times' after its first board meeting in the Capital City recently.

During the board meeting, 21 papers — covering a wide range of administrative and technical aspects of Midcor — were presented by the management.

A highlight of the meeting was a report announcing the start of the commercial coal-mining last September at the Kaziwizi Coal Mine around Livingstonia in Rumph District.

"At present, coal is sold ex-mine at K60 per tonne," a post-meeting Midcor press release says, adding that in view of the possibility to boost sales

considerably, the board directed a pricing committee to investigate a pricing system dependent on size fraction required and volume of order.

But of great interest to the board, according to the statement, was the news that coal exploration of the Livingstonia coal field by the Department of Geological Survey in 1984 showed that the coal seam represented a relatively superior semi-bituminous coal which compared favourably with coal from three countries adjoining Malawi.

"This coal, when compared with the coal imported from these countries, has a higher calorific value, lower ash and sulphur content and in its unwashed state is adequately suitable for the existing boilers and kilns in Malawi," the statement stated.

It added that the use of coal, in place of wood, for

domestic purposes like cooking and heating was currently under trial "and early results are very encouraging."

A Midcor spokesman told me that the corporation was to conduct an intensive market study to popularise the nationwide use of coal because "it is the government's wish to see that there is an end to deforestation and to the importation of coal when Malawi coal resources are fully exploited."

He explained that with the present labour force of 151, Midcor is capable of producing up to 200 tonnes per day at the Kaziwizi Coal Mine — a production rate equal to the quantity of coal consumed per annum within Malawi over the past two years.

Apart from working the Kaziwizi Coal Mine, Midcor will soon open two other mines in the North — in north Rumph and at Ngana, near Karonga. In the South, the Lower Shire area offers some prospects for new mines.

Established in January last year and incorporated some five months later, Midcor started coal mining after a Government directive issued through the Ministry of Forestry and Natural Resources.

The corporation's long-term plans are to develop large coal fields in both the North and South, in conjunction with the departments of mines and Geological Survey and the private sector.

The spokesman told me that it seemed possible that Malawi may in future export its high-quality coal. "But, for now, our priority is to satisfy local demand and as we continue growing in business, we cannot rule out the possibility of exporting," he added.

/12828

CSO: 3400/1685

MALAWI

BRIEFS

NEW FINNISH DIPLOMATIC TIES--The Government of Malawi has established full diplomatic relations at ambassadorial level with the government of Finland on non-residential basis, with effect from yesterday, May 1. A spokesman of the Ministry of External Affairs in Lilongwe announced this in a press release yesterday. [Text] [Blantyre DAILY TIMES in English 2 May 86 p 1] /12828

CSO: 3400/1685

NAMIBIA

COMMITTEE RECOMMENDS REORGANIZATION, CUTBACK IN TRANSPORT

Johannesburg THE STAR in English 24 Apr 86 p 22]

[Article by Brendan Seery: "SWA Transport Revamp Mooted"]

[Text] WINDHOEK — A heated debate is looming over recently published recommendations by a special committee which, if adopted, could dramatically alter the face of the transport industry in Namibia.

Windhoek's National Assembly has yet to discuss in detail the proposals of the Administrator-General's Transport Advisory Committee, which has suggested, among other things:

- Abolition of all rail passenger services in the territory.
- Closure of three rail branch lines, cutting rail links to the towns of Luderitz, Gobabis and Outjo.
- The reservation of certain cargoes for rail transport.
- The establishment of a national transport corporation to oversee road, rail and air operations.

It is suggested that the contract of the South African Transport Services (SATS) to run the services be taken over in 1987.

- The national airline, at present majority-owned by South African interests, should be wholly Namibian-owned.
- Negotiations should be conducted with South African Airways to share over-border flights and for SAA to relinquish the internal flight from Windhoek to Keetmanshoop, which is operated as part of the regular Cape Town service.
- The disbanding of the SA Railways police in Namibia and the transfer of local members to the territory's police or armed forces.
- If cost-benefit analyses prove it to be to the country's advantage, deteriorating tarred roads should be downgraded to gravel roads.

The thrust of the report of the committee was that Namibia had a road, rail and air system which it could not afford as a relatively poor nation of less than 1,5 million people.

During the financial year 1984/85, the report said, the rail system — which is at present being run on a contract basis by the SATS — ran up an operating loss of R54,1 million. This deficit was covered by the government of Namibia.

Result of suggestions

The suggested scrapping of passenger services, the axing of uneconomic branch lines and the special goods reservation proposals would cut the annual loss to only R13,8 million.

This loss could itself be reduced to nil by the gradual introduction, over a five-year period, of cost-based rail tariffs, the committee recommended.

The so-called "Third World solution" to the territory's transport problems has come under fire from a number of sectors, but is reported to have been generally well-received by transport administrators and officials.

Most critics have said that the decision to close the three branch lines will be extremely expensive to reverse should the need arise in the future.

For Luderitz, the axing of its rail link would come as a further blow in a series of misfortunes which has seen it slowly taking on the appearance of a ghost town.

Following a decline in the lobster industry, there has been the recent news that the offshore Kudu gas field in the area will probably not be developed in the near future because it is uneconomic.

There have also been murmurings of discontent from both Gobabis and Outjo about the proposed cessation of rail services.

Some critics on the left-wing have echoed

the oft-repeated claim (particularly by Swapo) that the closure of the Luderitz line is a deliberate ploy by South Africa to ensure that an independent Namibia remains totally reliant on Pretoria's goodwill for the transport of its imports and exports.

These critics say that the stranglehold on the transport systems of the sub-continent is an integral part of a destabilisation policy by South Africa.

However, officials here maintain that the recommendations of the committee would be in line with purely economic considerations.

The regional manager of SATS, Mr Willie Strauss, said that the Luderitz and Gobabis Lines were so under-utilised that two buses a day could carry all the freight involved.

He added that the line from Aus to Luderitz was so "old and lightweight" that it would have to be reconstructed anyway if the port was to be upgraded. Luderitz port ran up a deficit of R354 000 in 1984/85, the committee

said in its report.

The Secretary for Transport in Windhoek, Mr Kobus Durand, said that, as yet, there had been "no indications of new developments in the future" which could justify the continued maintenance of the branch lines.

Difficult to explain

Those who support the "destabilisation and dependence" theory about the committee's recommendations might also find it difficult to explain why SAA has officially offered to assist in setting the national airline on a firm footing.

Many of the pros and cons concerning the committee's recommendations are likely to surface when the National Assembly discusses the matter, most probably next month.

Observers in Windhoek believe that the country's politicians will lean towards politics rather than straightforward economics when deciding whether or not to accept the suggestions.

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CSO: 3400/40

NIGERIA

BABANGIDA DISCUSSES THREAT TO NATIONAL SECURITY

Lagos DAILY TIMES in English 8 Apr 86 pp 1, 17

[Article by Mike Nwajo]

[Text]

NIGERIA'S foreign policy should be focused on our capacity to protect our internal values from external threats, President Ibrahim Babangida has suggested.

Major-General Babangida stressed that national security has many tangible ingredients which might be more menacing than external military threats.

He said threat to national security could take subtle forms such as subversion of our values through economic sabotage, counterfeiting, drug trafficking, espionage and cultural subversion.

The President expressed these views while declaring open the All Nigeria Congress on Foreign Policy at the National Institute for Policy and Strategic Studies (NIPSS) Kuru, near Jos.

He said national security interest could be used to refer to such concepts as "self preservation," self defence and even "survival".

"In short," he went on, "national security means that the state should survive.

It means that it should not have serious threats to all values that are regarded as important and vital."

He expressed the hope that at the end of the conference, participants would be able to define what the vital interest for Nigeria would be and specify how they could be preserved.

"I am aware that my plea for a new focus on foreign policy analysis in Nigeria has several implications," he said.

For example, he said, our national security has to be defined within the context of its external environment and in a way conducive to the free pursuit of our national goals and aspirations.

President Babangida also spoke of the problem of conflicting values and queried how we could reconcile those values with values that were to be displaced.

He said that for displacement of certain values to be effected, government must carry the citizens along with it and observed that such a task was a tricky problem in a democratic society.

The President said even

though people wanted security for their national community, we should not forget that the same people also wanted freedom and some level of comfort for themselves.

In a welcome address, the Minister of External Affairs, Prof. Bolaji Akinyemi said there was no disputing the fact that Nigeria has responsibility to Africa and that Africa has responsibility to Nigeria.

He said when Nigeria declared Africa as the centre piece of her foreign policy, it meant that Nigeria should identify with and defend the legitimate interests of Africa collectively, with each African state.

This also meant, he said, that Africa and African states should identify with and defend Nigeria's interests.

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CSO: 3400/1667

NIGERIA

ESSENTIAL PRODUCT PRICES SOAR IN ENUGU

Enugu WEEKLY STAR in English 13 Apr 86 p 1

[Article by Obi Udefuna]

[Text]

ESSENTIAL commodities in Enugu, Anambra state capital are now luxury as their prices have gone up beyond the reach of an average man.

Some of the items whose prices have considerably increased as much as 160 per cent more than what were obtainable in the

last four months include a small packet of Omo which now costs N1.80, Appollo detergent N1.65, large size of Omo and Appollo detergent sold at between N10 and N8.75 respectively.

A survey conducted by the WEEKLY STAR showed that bread which used to be the staple food in every home has disappeared from the market owing to lack of flour.

WEEKLY STAR also gathered that most of the bread hawkers have gone out of business while the few who could lay their hands on a few loaves sell at between N2, N3.50 and N5 according to the size of bread.

This situation the WEEKLY STAR survey further revealed has forced many families to taking plantain 'akara', rice, busicuits, beans and gari as alternative for breakfast.

Compounding this problem is the soaring price of palm oil which now sells at between N2.30 to N2.50 per a bottle while a tin of palm oil sells at between N38 and N40.

Added to this is the astronomical increase in price of matches as a box of matches now sells at (30k while a dozen sells at N3.60) and a carton from N12 to N15.

Many traders interviewed told the WEEKLY STAR that the sharp increase in prices of the commodities was because of lack of raw materials.

Our survey, however, showed that some commodities like gari, milk, toilet soap, bar soap, rice, yam, egg, beans and vegetable oil including meat sell at moderate prices.

It was also gathered that the acute shortage of essential commodities in the market was because of the unscrupulous attitude of some distributors and the middlemen who hoard the items, using lack of import licence as a camouflage.

A yam seller at the Onitsha Road Relief Market in Enugu told the WEEKLY STAR that the farmers and the local goods

sellers were the most hard-hit of it all, adding that their commodities were always sold at reduced prices.

He warned that if the government did not remove the distributorship and the middlemen in our manufacturing industries, our problem might get out of hand.

NIGERIA

OPEC PERMITS INCREASE IN OIL QUOTA

Enugu DAILY STAR in English 11 Apr 86 p 16

[Text]

THE Organisation of Oil Exporting Countries (OPEC) has given Nigeria a special grant of increasing her oil supply to the world market from 1.3 million barrels a day to 1.5 million barrels for the next two months.

The petroleum minister, Alhaji Rilwanu Lukman, said this while briefing newsmen on the outcome of the recent OPEC meeting in Geneva. He said it was only accorded to Nigeria out of many other members that requested for increased quota.

According to the minister, Nigeria will, in the first month introduce 100,000 barrels daily while in the second month the quota will rise to 150,000 barrels daily, adding that the offer only lasts for not more than two months and was made because of Nigeria's economic problems.

Alhaji Rilwanu stated that the problems that had bedevilled OPEC countries was the over-supply of oil into the market while the price continued to go down. He said that if the price of oil was to be increased, there should be reduction in the production, he

said.

Experts, he said were working to cut out about 3.52 million barrels per day from the 17.5 million barrels now being supplied to the market by OPEC members. The minister stated that if OPEC comes out with a more realistic quota for its members, "people will be constrained to live within their allotted quota, instead of violating their allotted quantity. "If we have less oil in the market, we will achieve our purposes", he added.

The minister disclosed that Nigeria was queried in the OPEC meeting in Geneva just like some other member-nations that exceeded their quota in supplying oil to the world market.

He dispelled the rumour that some oil companies in Nigeria were folding up due to financial crisis, adding that the government has given incentives to the oil companies for exploration and additional production capacity.

He emphasised that there was no indication that Nigeria was entering into business with Israel over buying Nigeria's oil.

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CSO: 3400/1667

NIGERIA

EXPORTS TO NETHERLANDS DOUBLE, COMMODITY TRADE DESCRIBED

Lagos BUSINESS TIMES in English 7 Apr 86 p 24

[Text]

OFFICIAL data of Nigeria's earnings from exportable products, show that trade relations with the Netherlands netted a total of ₦88,784 million in the last two years.

The year 1985 showed a significant rise in performance detailing a total of ₦88,784 million doubling the 1984 exports of ₦30,688 million by ₦38,086 million.

These exportable products which excluded sales of crude oil thus raising hopes that after all there are still other avenues of survival, fall into five categories: foodstuffs, raw materials, animal and vegetable fats, non-ferro metals, machines and transport materials.

Speaking to this reporter in an exclusive interview, the Netherlands commercial attache to Nigeria, Mr. Van Nieuwkerk said coffee, cacao and spices netted a total of ₦18,012 million export earnings for Nigeria while non-edible raw materials of natural rubber (80,000) metal ore and metal waste rod (₦1.12 million) and oil containing seeds (8,000) accounted for ₦1,208 million of total sales in 1984.

Animal and vegetable oils and fats sold for ₦6.12 million while non-ferro metals recorded earnings of ₦56,000.00. Machines and transport materials made up of generators and engines, (₦3.68 million) mechanical transport materials (₦48,000)

and construction machinery (₦6,000) were exported at a total value of ₦4.48 million.

Nieuwkerk said when these were contrasted to 1985 records, a marked improvement emerges leading to for example, foods (cocoa, cacao and spices) recording ₦30.64 million over the ₦18.32 million previous sales.

Out of these, coffee showed a lower sale of ₦60,000 over its previous ₦82,000 sales in 1984. But cacao which seems to be an increasing pastime of industry input in the Netherlands went up by ₦10.16 million over its 1984 earnings of ₦17.84 million; spices however went down by a wide margin of ₦62,000 below the 1984 record of ₦60,000.

Non-edible raw materials which excluded mineral fuels rose to ₦2.89 million better than the ₦1.21 million sales of 1984. This is understandable in a given commodity market situation which charted up wards a high level of conspicuous consumption by Dutch consumers of oil containing seeds selling at ₦1.92 million better than the 1984 sales of ₦8,000. This steep rise in the consumer graph was to record a sharp decline in metal ore and metal waste rod which in 1984 had, well by our average standard, an impressive net turnover of ₦1.12 million better than the ₦680,000 performance for 1985.

As for natural rubber, it torpedoed from R80,000 in 1984, to a not very encouraging output sales of R20,000 in 1985.

As for animal and vegetable oils and fats, for a not very explainable reason, at least from Van Nieuwkerk's (or New Church) end, the sales for 1985 dragged sluggishly down to R1.92 million against the now obvious better mark of R6.12 million in 1984.

The same slip-shoddiness

in market sales was evident for non-ferrous metals which in 1984 netted R560,000 but by 1985 had left a two indices that reduced the divisor by R800,000.

Machines and transport materials also climbed down to R2.41 million after its 1984 sales of R4.48 million. Generators and engines in particular, against the backdrop of 1984 sales of R3.68 million left a negative sales index of R8,000.

/12851

CSO: 3400/1675

NIGERIA

STOCKFISH INCLUDED IN PROPOSED COUNTERTRADE WITH ICELAND

Enugu DAILY STAR in English 11 Apr 86 p 1

[Article by Chris Agulefo]

[Text]

OVER 11,000 metric tonnes of stockfish may be dumped into Nigeria under a counter-trade deal if the intrigues of the exporting country succeeds.

The barter deal is expected to involve the exchange of undisclosed Nigerian commodities worth about \$45 million for "all Iceland reserves" of stockfish worth over 11,000 tonnes.

The deal is supposedly being engineered by Iceland, which is the exporting country at a time when the Federal Military Government is reviewing the whole concept of counter-trade arrangement in order to cater mainly for exchange of Nigerian crude for development of capital goods as against import of food items.

According to a very reliable

source close to the External Affairs Ministry, the DAILY STAR learnt that an unnamed third party has signed an agreement in London to effect the deal with another unnamed organisation.

Quoting an Iceland newspaper sources, the source said that it is this organization that Nigeria might encounter in a counter-trade agreement, that would then sell directly to Nigeria.

It was gathered that there is an on-going high level negotiations on technical and economic co-operation between officials of Nigeria and Iceland.

Nigerian officials at the negotiations were said to be embarrassed that if the speculations were true it would pre-empt their position at the talks.

/12851

CSO: 3400/1676

NIGERIA

LACK OF INTEGRATED ENERGY POLICY DECRIED, COAL HIGHLIGHTED

Lagos DAILY TIMES in English 9 Apr 86 p 3

[Article by Eddie Chima Okoroji: "Our Coal Can Feed Ajaokuta"]

[Text] **NIGERIA** has sizeable reserves of coal, which is an important raw material in the chemical industry. However, there has been a lack of systematic approach to the utilization of this valuable resource, even while the country is gearing vigorously for enormous involvement in one of the major consumers of coal — the iron and steel industry.

Coal is the most single expensive raw material that our iron and steel industry requires. If Ajaokuta goes into production today it will depend on 100 per cent imported coal, costing about 200 million U.S dollars in foreign exchange to import 1.30 million tonnes of coal; this figure will increase to about 1 billion (U.S) dollars at full capacity of 5.2 million tonnes of steel yearly.

The big question is, how could Nigeria have signed a contract for iron and steel complex, with plans to import 100 per cent of the coal needed when she has vast deposits of the same commodity.

This highly undesirable situation brings into sharp focus the fact that unqualified people are involved in representing Nigeria during negotiations for the establishment of industries which largely depend on external inputs of high technology. It definitely calls for an urgent need for a drastic restructuring of the machinery of government. If we mean to apply modern science and technology for industrial/economic development.

The tragedy of it all, as can be seen from the coal predicament and that of other energy resources, which are abundant in Nigeria, is that there is no concerted and integrated energy policy for Nigeria which will induce the optimisation of a balanced mix of our energy resources.

Our political economy continues to suffer even in the midst of plenty. For the past eight years, key government officials have commented on the establishment of the energy commission of Nigeria which should look into all our energy — related issues. Till this moment, there is no organ of the Federal Military Government with either the perspective or mandate to tackle this crucial matter of comprehensive energy policy formulation and implementation.

The President and Commander-in-Chief of the Nigerian Armed Forces, Major-General Ibrahim Babangida, in his 1986 Budget speech pronounced on this very important aspect of the country's hope for economic revival in the following words, among others: —

"An operational national energy policy is overdue in Nigeria. Such a policy will now be undertaken, so that Nigeria's energy development would harmonise with those of the ECOWAS sub-region. The possibilities of utilizing idle refinery capacity in ECOWAS and selling Nigeria's natural gas in embodied form will be more actively pursued.

The public steel sector is in dire need of rationalisation. Work on the Ajaokuta plant will be prosecuted with determination given the amount of money already sunk into the project and the relative irreversibility of investment. However, the delay in construction and start-up will now be turned into an advantage by using the plant to correct the structural distortion in the entire public steel sector. The required correction must emphasize the reduction of flat sheets."

Three months inside the budget year, Nigerians, who are most aware of and sensitive to the issues involved in this aspect of our economic and social well-being, are still holding their breath and wondering why, after that brilliant proclamation by Mr. President, the machinery to do the job is yet to roll into operation.

By a decree, during the military administration of General Olusegun Obasanjo and a subsequent

amendment act during the disastrous so called second republic, the legal frame work appears to have been firmly established for the effective take off of the energy commission. There can be no justifiable excuse now why this potential giant of a nation is still stepping backward while it continues to dream about a greater tomorrow. Action now, if the circumstances of Nigeria are not to be permitted, through errors of commission and omission, to slide down hill to a point of no return.

It has not been considered unnecessary to catalogue the several uses to which coal has been put in the industrially advanced countries,

both as cheap and reliable energy source and as a major source of raw materials for the all-pervading chemical industry. Suffice it to say that the story of modern industrial civilisation, began with the emergence of the coal industry in the 18th century.

The primary intention in this short essay is to focus attention on the appropriate foundation without which our expectations for profitable energy management and the attendant acceleration of industrial advancement will remain a pipe dream. That foundation is, without question, government policy on energy and its faithful implementation.

/12851

CSO: 3400/1675

NIGERIA

PILOT SCHEME TO SETTLE NOMADIC FULANI IN BAUCHI STATE

Kaduna NEW NIGERIAN in English 2 Apr 86 pp 1, 3

[Text]

BAUCHI State Government, in conjunction with the United Nations Development Programme (UNDP), has embarked on a pilot scheme to settle nomadic and semi-nomadic cattle Fulani in the state.

The pilot scheme is known as Wawa/Zange pastoralists settlement.

Governor Chris Garuba of Bauchi State told media executives last weekend that the objective of the scheme was to settle 16 family units on 4,000 hectares of land.

He said each of the family units would be allocated 225 hectares with 50 years grazing permit and would be assisted through extension services to develop a modern farm model of profitable livestock business.

This project was designed not only to enhance livestock production but also to improve the socio-economic way of life of the nomads through the establishment of schools, dispensaries, simple marketing and livestock service centres, he said.

Similarly, modern animal husbandry practices would be introduced through extension services. He said the project had two dams and that 14 families had been given their plots of land.

On rural development, he said 58 million Naira had been set aside for the development of rural areas.

Towards this end, the Bauchi State Integrated Rural Develop-

ment Programme had been established to coordinate, monitor and provide necessary inputs such as technical and financial assistance to farmers.

He expressed confidence that by the end of this year, 63 towns and villages would have been electrified, 212 towns and villages would have had water, 560 kilometres of laterite roads would have been constructed.

Governor Garuba said a viable cooperative system would be evolved to ensure a progressive rural economy for effective utilisation of massive investment in rural infrastructure by the government for the overall development of the state.

He noted that with 1,312 boreholes and 90 earthwork dams in the state, farmers were now practising dry season farming.

He added that a school-to-land programme had been introduced in the state.

/9317

CSO: 3400/1631

NIGERIA

NATIONAL STUDENT ASSOCIATION CALLS FOR PARAMILITARY ORGANIZATION

Lagos DAILY TIMES in English 14 Apr 86 p 1

[Text]

THE National Association of Nigerian Students (NANS) has called for a proper mobilisation and participation of Nigerians in the defence of the country.

The NANS, therefore, called for a piece-meal arming and training of the people through a para-military organisation and a peoples' defence body.

The call was made by the NANS national president, Mr. Eze Azu Emmanuel, while criticising a report of the defence committee submitted to the conference on Nigeria's foreign policy which ended at the weekend.

Mr. Emmanuel stated that the committee headed by retired Major-General I.B.M Haruna of which he (Emmanuel) was a member did not take account of this call in its final report.

He said it was proper that the present elitist character

of the Nigerian Army be reviewed because, according to him it was the people and not the present pleasure seeking ruling class in the army that could defend this country.

NANS was also of the opinion that Nigeria's commitment to the liquidation of apartheid should be made clearer and categorical.

Nigeria, he said must pursue an aggressive moral and material commitment to the liberation struggle in South Africa by curbing further economic relations with all the countries manifestly supporting South African apartheid such as the United States of America, the United Kingdom and France.

He suggested that Africa should make it a matter of policy to train and arm as many South African youths as possible with a view to hastening the collapse of the apartheid system.

/12851
CSO: 3400/1668

NIGERIA

IMMIGRATION OFFICES SLATED FOR ALL LOCAL GOVERNMENTS

Lagos DAILY TIMES in English 8 Apr 86 p 1

[Text]

IMMIGRATION offices are soon to be set up in all the 301 local government areas, Minister of Internal Affairs Col. John Shagaya, announced yesterday in Calabar.

The minister, now on tour of the Cross River State, said this when he called on the State Governor, Col. Dan. Archibong.

Col. Shagaya said it had become necessary to set up the offices in order to monitor the movements and activities of aliens, now that the Federal government has reopened the borders. He pointed out that officials of his ministry would have more than enough to cope with when phase two of the ECOWAS treaty is implemented in June, this year with its attendant influx of aliens.

He therefore called for co-operation from the members of the public.

Col. Shagaya pleaded

with the Governor to allow prisoners in the state to receive medical treatment in the state health institution while the method for payment of the bills would be worked out by officials of his ministry and the state government.

Earlier, Governor Archibong had called on the Federal government to liberalise trade with its neighbouring countries as a means of stemming the incidence of smuggling across the borders.

The governor contended that the country will benefit more if a well organised trade is allowed rather than spend huge sums of money fortifying border posts against smugglers.

He pointed out that the revenue from such trade which is now earned by smugglers would go into government's coffers if trade with neighbouring countries is legitimised.

/12851
CSO: 3400/1675

23 May 1986

NIGERIA

DEFENSE INDUSTRIES CORPORATION 'DISMAL' PERFORMANCE CITED

Lagos DAILY TIMES in English 9 Apr 86 p 3

[Editorial: "DIC's Dismal Performance"]

[Text]

MAJOR-General Charles Ndiomu, director-general of the National Institute of Policy and Strategic Studies, certainly spoke the minds of many Nigerians when he said recently that the Defence Industries Corporation (DIC) is a white elephant.

Much of what the DIC has been able to do since its existence is the production of rifles, and some ammunition. For an organisation that was established some 24 years ago to break the nation's dependence on external sources for her defense needs, this performance is shocking and painful. Shocking, because its counterpart in Brazil which was established at the same time, is now an exporter of sophisticated weapons such as tanks and war planes.

And painful because the DIC has no good reasons for not succeeding. For one, about 60 per cent of what can be regarded as the raw materials for weapons production, iron and steel, are now available locally. Moreover, we have both the men and, in the past, at least, the financial resources to meaningfully prop up such a vital organisation to discharge its obligations.

Yet, for its failure, the DIC, cannot get all the blames. A large chunk of it goes appropriately to government. Successive Nigerian governments have been loud in their recognition of the need for a military-industrial complex and what schemes they have to make the DIC great. But their words have fallen short

of action.

And the nation is the loser for this official neglect of DIC. We continue today to import, at enormous costs, much of our defence weapons when indeed the DIC, like its counterparts in some developing countries like South Korea, Brazil and India, would have been a veritable foreign exchange earner for us. This happens to be the economic aspect of the problem only.

There is also the security factor which is also worth worrying about. We need no oracle to tell us that it is inadvisable for a nation that prides itself as the giant of Africa and which hopes to conduct a dynamic foreign policy to depend on external sources for much of its defense materials.

What we urgently need to do is commit some of our best brains in related fields to the DIC. Experience during the civil war indicates that we have brilliant young men and women who, if given the challenge, can display their skills in producing armament. This is not all.

There should also be a commitment on the part of the government to generously fund the DIC. Defence usually gets a lion share of the budget and there is no good reason why with a little tinkering here and there, something substantial cannot be invested in the DIC. In addition, private entrepreneurs should be encouraged to invest in the nation's military-industrial complex.

NIGERIA

SCHOOL EQUIPMENT INSTALLED AFTER CZECH, HUNGARIAN TRAINING

Kaduna NEW NIGERIAN in English 3 Apr 86 p 13

[Text]

BAUCHI State Government has purchased equipment worth about 6.7 million Naira for technical and vocational schools to meet the demands of the new policy on education.

Already the Federal Government has guaranteed equipment worth 2.7 million Naira for the 6-3-3-4 educational system.

Briefing media executives last week, the state governor, Colonel Chris Garuba, said 103 out of the expected 115 pre-vocational equipment for junior secondary schools had been received and installation had started.

He said in order to handle and install these equipment in the schools, workshops have been organised by the Hungarians and Czechoslovakians to train government officials.

Colonel Garuba told the media executives that the Adult and Non-Formal Education Agencies had been set up to provide functional literacy education for all adults who never had the advantage of formal schooling.

He expressed the hope that with careful planning, adequate

funding and effective supervision as well as high sense of commitment and dedication, everybody in Bauchi would be literate within five years.

Governor Garuba said efforts were being made to give married women an opportunity to have access to formal education without disrupting their traditional beliefs and values.

He said conscious effort was being made to integrate schools with communities within which they are located by allowing members of the community access to what is being taught.

On health sector the governor said ten years after the establishment of the state, 13 general hospitals had been built with a total bed capacity of 2,337 and manned by 86 medical doctors.

Apart from these hospitals there are over 445 various types of health establishments all over the state and three mobile clinics, he said, adding that one additional general hospital as well as four primary health centres are scheduled for completion this year.

/9317
CSO: 3400/1631

NIGERIA

FORMER PUBLIC OFFICIALS ORDERED TO SURRENDER PASSPORTS

Enugu WEEKLY STAR in English 13 Apr 86 p 16

[Article by Chris Agulefo]

[Text]

ALL former public office holders are to surrender their passports and any other travel documents in their possessions to the state commissioners of police in their state or in the state where they are living at present.

They are also to report to the commissioner of police in their state within 24 hours of the publication.

In addition, the affected persons' movements have been restricted to their states of origin or areas where they are domiciled.

To be affected are public office holders from October 1979, to December 1983 including those released between August and September last year.

Announcing this at a press briefing in Lagos on Friday on

behalf of the Inspector-General of Police, Mr Etim Inyang, the commissioner in charge of public relations at the Force Headquarters, Lagos, Mr Felix Amedu Musa, said that the order takes immediate effect.

The directive requires that within 24 hours of this publication, all persons involved should report to the state commissioner of police who will give them further directives.

Thereafter, they are to report to the state commissioner of police every Monday, commencing from April 14.

The police commissioner said that the order was dished out as a result of the on-going probe and review of cases involving former public office holders.

/12851
CSO: 3400/1668

NIGERIA

AIR MARSHAL SAYS HELICOPTER SCHOOL PROJECT INTACT

Enugu DAILY STAR in English 14 Apr 86 p 1

[Article by Rex Okechukwu and Chinedu Okeke]

[Text]

THE helicopter training school in Enugu, capital of Anambra State, will come into full operation "as soon as possible".

Answering questions from reporters shortly on arrival in the city, in continuation of his visit to air force formations in the state, the chief of air staff, Air Vice-Marshal Ibrahim Alfa, said it was the intention of the Federal Military Government to complete work on the project and procure necessary equipment for training.

Air Vice-Marshal Alfa disclosed that the government intends to reduce the oversea training programme, in conformity with the present life-style of the country.

He announced that the federal government had

resolved to shelve the air force base in the city.

Air Vice-Marshal Alfa would not want to comment on why the Federal Military Government constituted another panel for the re-trial of Brigadier Nassarawa, one of those involved in the abortive coup plot of December, last year.

He said that since the matter was being handled by a panel of inquiry, it would be prejudicial for him to do so.

The chief of air staff told journalists that his men had been performing comparatively well and that the rate of air accidents had been minimised.

He said that air force did not undertake normal flights but adopts a system different from the traditional flights.

/12851

CSO: 3400/1668

NIGERIA

BRIEFS

ARMY WORKS ON RECRUITMENT FORMULA--The army recruitment directorate is working out a formula to ensure that all local governments in the country are made to fill their quotas in the Nigerian Army. The director of army recruitment, Col P. O. Egbekhai, disclosed this when he paid a courtesy call on the governor of Kano State, Col Ahmed Mohammed Daku, on Thursday. To that end, the director stated that "we have done our sampling in certain areas of the country and we will go round to persuade and reason with them on the need to fill their quotas in the army recruitment exercise." Col Egbekhai assured that his directorate will leave no stone unturned in implementing the quota formula in order to ensure fair representation of all parts of the country in the army. Earlier, Col Egbekhai expressed concern over Kano State's inability to fill its quota in the army. As a step towards achieving this objective, he said, intensified campaigns and enlightenment exercises are being mounted in all the 20 local government areas of the state in order to ensure that able-bodied youths take their right place. [Text] [Lagos DAILY TIMES in English 12 Apr 86 p 2] /12851

NEW HIGHWAY, BRIDGE TOLLS--The Federal Military Government is to collect tolls on all major highways and bridges throughout the country. The Minister of Works and Housing, Alhaji Abubakar Umar, said that the highways and bridges which would attract tolls include the Onitsha-Enugu express road, the Port Harcourt-Enugu road, Benin-Shagamu road, the Lagos-Badagry road and the Okene-Ajaokuta road. Major river bridges that would also attract tolls are Onitsha bridge, the Benue river bridge, Katsina Ala river bridge, Makurdi bridge, Ethiopie bridge and Ajaokuta bridge. The works minister explained that all tolls collected would be used for regular maintenance of the roads and bridges. [Text] [Lagos DAILY TIMES in English 16 Apr 86 p 16] /12851

ILLEGAL PASSPORT DEAL UNCOVERED--Libyans and Chadians are being issued with illegal passports, visas and work permits in Lagos according to investigation. The Libyan embassy and Chadians resident in Nigeria were known to be flouting the laws of the land by carrying out activities deemed to be inimical to the nation's security and interests, it was further revealed. After the April 1984 raid conducted on an illegal Chadian embassy in Maryland area, the illegal activities continued unabated, according to sources. Sponsored by the Libyan embassy Chadians, Malians, Burkinabes, Ghanaians and some Nigerians were being enlisted in Gaddafi's "Islamic religion" according to sources. Investigations revealed that the procurement of Nigerian passports and Nigerian entry permits were effected in collaboration with certain Nigerians in the passport offices, immigration and with some airport officials. [Text] [Lagos DAILY TIMES in English 16 Apr 86 p 1] /12851

REGISTRATION OF KORANIC SCHOOLS--District and Ward Heads in Okene Local Government Area of Kwara State are now to register Koranic schools and Mallams in their areas, the Sole Administrator of the area, Alhaji Lasisi said in Okene on Thursday. Alhaji Lasisi told the News Agency of Nigeria (NAN) that the exercise would enable the Local Government to monitor the activities of the Koranic Schools and their Mallams in order to avoid a breach of the peace. He said that the registration was prompted by an allegation that a group of muslim youths attacked and stabbed one Lasisi Idirisu in the town. He stated that the decision to register the schools was taken after a meeting between the Sole Administrators of Okene and Okehe Local Government Areas, the Ohinoyi of Ebiraland, Alhaji Sanni Omolori and the Divisional Police Officers of the two local government areas. [Text] [Kano THE TRIUMPH in English 7 Apr 86 p 6] /9317

COMMONWEALTH GROUP VISITS BABANGIDA--A two-man delegation of the Commonwealth Group on South Africa yesterday called on President Ibrahim Babangida at State House, Dodan Barracks, Lagos. The delegation, made up of former Head of State General Olusegun Obasanjo and Mr Ngu John Malatela, briefed the President on the efforts and development in the group's endeavours to fulfil its objectives of initiating a process of dialogue across line of colour, politics and religion with a view to establishing a non-racial and representative government in South Africa. The delegation was accompanied by Mr Emeka Anyaoku, Deputy Secretary-General at the Commonwealth Secretariat and Ambassador Olu Otunla, adviser to the special unit of the group of eminent persons at the Commonwealth Secretariat. [By Nkem Agetua] [Text] [Kaduna NEW NIGERIAN in English 2 Apr 86 p 1] /9317

CSO: 3400/1631

SAO TOME AND PRINCIPE

BRIEFS

OPPOSITION CAOLITION—The first steps in the "second" liberation of Sao Tome and Principe has have already been taken with the creation of the Democratic Opposition Coalition (CDO), a body resulting from the merger of the efforts of the two political groups opposing the dictatorial regime of Pinto da Costa. They are the National Resistance Front of Sao Tome and Principe (FRNSTP) and the Democratic and Independent Union of Sao Tome and Principe (UDISTP). The priority goal of the CDO is to overthrow the government of Pinto de Costa, using every means within its reach, even armed struggle. Avoiding the scattering of the democratic opposition by their merger, these two political groups are placing national independence above their separate interests. Both the FRNSTP and the UDISTP, if they can triumph over the dictator Pinto de Costo, commit themselves in their agreement to hold "general, free and honest elections," so that the people can make a democratic choice of their national leaders. [Text] [Lisbon, O DIABO in Portuguese 25 Mar 86 p 4] 5157

CSO:3442/190

SENEGAL

DIOUF ADDRESSES SOCIAL, ECONOMIC COUNCIL

Dakar LE SOLEIL in French 25 Mar 86 pp 11-14

[Address by President Abdou Diouf to the Economic and Social Council in its first regular session of 1986]

[Text] Mr Chairman of the Economic and Social Council, ladies and gentlemen of the council:

On this same occasion a year ago, I mentioned before your high assembly the difficulties we were experiencing in predicting our economic trends and in planning our development in a context of uncertainty. These difficulties persist today, but the year 1985, particularly in its second half, has been marked by a series of favorable factors eliciting cautious optimism. After a decade of waiting, the rains have finally kept their appointment with our agriculture and livestock. The value of the U.S. dollar, whose fluctuations are a determining factor internationally, has begun to decline thanks to the actions of monetary authorities in industrialized countries. The drop in interest rates has been widespread and the price of oil, a strategic raw material, has declined dramatically since the first two months of 1985.

These favorable factors are not, of course, the only deciding factors for the future of our economy, especially since they have been accompanied by a drop in the prices of our export products. However, in a certain way they facilitate our economy's recovery effort, whose positive results were first noted last year.

I would like to make clear to you the tone of my remarks from the outset: Our economic policy is gaining strength and, although much remains to be done, I believe that we are on the right track.

I will begin by apprising you of our country's economic situation in 1985 and the initial results of our structural adjustment policy.

I will then explain to you the significance and the stakes of our new policy for promoting national industry.

Finally, as is customary, I will conclude with responses to the recommendations formulated by your high assembly for the government's benefit.

I. Economic Situation in 1985 and Results of our Adjustment Policy.

The year 1985, the first year of implementing the Intermediate and Long Term Adjustment Program, was a pivotal one. Indeed, the continuation of the financial stabilization policies adopted in 1979 and since reinforced by a series of significant economic reforms has made it possible to relaunch economic growth, resulting in a 3.8-percent increase in volume of the gross domestic product [GDP]. Our goal is to achieve average growth of 3.2 percent for the four years of the Seventh Plan.

This very encouraging relaunching of economic growth must be interpreted with caution. We must make sure not to ultimately cause new imbalances that could be detrimental to continuing the effort to relaunch production.

This improvement in our situation has taken place in an international context in which signs of a new balance are perceptible.

The industrialized countries had relatively homogeneous growth of about 2.7 percent, accompanied by a very sharp drop in inflation. The North's economic recovery has perhaps entered a stage of maturity. The most advantageous feature for our foreign accounts payable has been the general drop in interest rates, complemented by the recent decline of the dollar, a development that has reinforced the favorable effects on debt servicing. But this decline of the dollar is also having some negative effects on our foreign sales transacted in this currency.

According to GATT experts, international trade expanded a moderate 2 to 3 percent, down sharply in comparison to 9 percent in 1984. This decline in trade is particularly disturbing as there has been a sharp drop in the prices of basic commodities, with the exception of coffee, sugar and wool. Surplus supply has caused a sudden drop in the prices of all other raw materials. This is true of our three most important basic commodities: phosphates, peanuts and cotton. This trend is alarming for our country and for all African nations, since it jeopardizes our policies aimed at increasing the income of farmers.

Finally, private international investment in our country is still very low, forcing us to apply to public, bilateral and multilateral sources of financing as a priority. A little later on, I will give you a brief assessment of our results in this area.

In this contrasting international context, the resumption of growth in Senegal in 1985 has been based on the following development of production sectors.

The growing season, which ended in late March 1985, was characterized by the marketing of 232,000 tons of oil-mill peanuts. After replacing seed capital, the four processing plants were left with only 145,000 tons for milling, a glaringly inadequate amount considering their production capacity. As you know, the results of the peanut season, now coming to a close, will also be mediocre. The important measures that I announced in my message of 3 April--raising producer prices, changing procedures for management of seed and

fertilizer, adaptation of oil mills--will take time to produce their effects, but I know that the new regulations for organizing the peanut sector of the economy have been fully understood.

Cotton production, approximately 56,500 tons, was quite satisfactory. This level will not be maintained in 1986, due mainly to climate conditions.

With regard to food crops, I note that in 1985 paddy rice finally surpassed the 135,000-ton threshold. Millet-sorghum and corn production also rose slightly, totaling more than 700,000 tons; this total will be 1,200,000 tons in 1985-86. This latter performance is very encouraging for the success of the new agricultural policy.

Livestock breeding activities improved, with a slight increase in the number of livestock and in the number of livestock slaughtered. Fishing, less subject to climatic uncertainties, maintained production thanks in particular to the vigor of small-scale fishing.

Industrial-scale fishing is going through a very extensive stage of change as a result of changes in the equipment system and reductions in the outfitting of land processing plants. In the next two months, the government will decide on a more appropriate policy for promoting national fishing.

Overall, the primary sector's total results were thus decidedly higher than its results for 1984. In real terms, the primary GDP rose by 10.6 percent in 1985.

The industrial recovery that began in 1984, continued in 1985. The overall index, with a base of 100 for 1976, rose from 107.2 to 110.2, or by 3 points. Every branch of the industrial sector experienced a renewed activity. I will return later to our industrial promotion policy. The tourist sector's steady growth rate was maintained during these last three years. There was an average of 275,000 arrivals monthly in lodging establishments, with 27 billion obtained in foreign exchange.

With regard to prices, I note that the quarterly growth of inflation was about 2.7 percent for 1985. The nominal wages of the public sector increased by 1,515 francs in the first part of the year and the hourly interoccupational guaranteed minimum wage rose by 7 percent. With the increase in the prices of rice, private transportation and petroleum products, I am aware of the pressure on the purchasing power of households. However, it should be noted that for the first time in several years we have been able to lower the price of vegetable oil for domestic consumption and, above all, that the purchasing power of farmers has improved with the high increase in all agricultural prices, which was decided for the 1985-86 farming year.

As to foreign trade, it is important to note the good situation of our exports, with the exclusion of peanut products. Fish, salt, cotton, petroleum products and especially ICS [Chemical Industries of Senegal] products have enabled our sales abroad to increase by 4.2 billion. At the same time, our imports have risen by only 2 billion.

Our trade position thus continues to improve and we expect dramatic results for 1986 thanks to a recovery of our exports.

On the macroeconomic level, the GDP, at current prices, is 1.189 billion, with a growth of 3.8 percent in volume. At the same time, domestic demand has increased by only 1.9 percent. Without going back over the stakes of our policy for stabilizing demand, whose major features I described to you last year, this decline in our propensity to consume should be noted.

Our country was accustomed to consuming the equivalent of what it produced. But as of last year, total consumption finally declined from the fateful threshold of 100 percent of the GDP and returned to a level lower than that for 1979. The government is still resolved to encourage the formation of national savings since, in terms of GDP percentage, total consumption should decline another five points in the next two years, making possible domestic savings of more than 50 billion.

The rigorous management policy for public finances has made it possible to reallocate the government's financial resources for accelerated reduction of Civil Service debts. For the 1985-86 fiscal year, 15 billion will be allocated for such reduction and 12 billion for discharging the ONCAD [National Office of Cooperation and Assistance for Development] debt. Thus in three budgetary years, the government's operations will have allocated 65 billion toward payment of outstanding debts. This financial policy will be continued until the government's liabilities have been discharged.

Finally, the year 1985 was one of international ratification of our structural adjustment policy. During the past year, in Dakar or during my travels abroad, I have been receiving congratulations from friendly countries and international financial organizations concerning Senegal's commendable efforts to get out of its rut. Such congratulations are addressed to all Senegalese. Our sacrifices will not be in vain.

Such approval is producing tangible results. One by one, the International Monetary Fund, the World Bank, the United States, France, Switzerland, more recently the Arab states, and even more recently the Netherlands, have demonstrated their encouragement through financial aid for our adjustment policy. In the coming months, we will receive other aid for revitalizing our priority sectors, agriculture and livestock breeding, fishing, industry and water resources, before the second meeting of the advisory group of financial backers, who will reach a decision in late 1986 concerning our investment program for the next three years.

The next stages of our recovery program are now within reach.

II. Significance and Stakes of the New Industrial Policy.

The years 1984 and 1985 were ones of defining and implementing our new agricultural policy. The year 1986 will be one of launching our new industrial policy, which will be implemented gradually through the end of 1988.

The minister of industrial development and crafts described the government's major goals for industrial policy on 12 February 1986. Before your high assembly, I want to make some additional remarks to further clarify the significance of this policy.

What is the status of our national industry today? The secondary sector, including its construction and public works and energy, contributed 27.8 percent of the GDP at current prices in 1985. Considering only the manufacturing sector, I note that its contribution is only 20 percent and that the annual growth rate of manufacturing production has remained in the neighborhood of 2 percent for 10 years.

In Senegal's case, this figure overshadows very diverse situations: Certain branches, such as oil mills, have undergone broad fluctuations, while others have experienced a decline in their activities, and still others have gone through a recession. Only a few branches have been characterized by vitality in recent years: breweries, canneries, confectionaries, textiles and the paper-cardboard industry.

In general, our industry is simply keeping pace. The government has, however, used numerous positive incentives to encourage industry, including a very stimulative investment code, a subsidy equal to 15 percent of the value of exports, the only free export zone in west Africa, and more than 10 specialized financial institutions and agencies for aiding industry and promoting exports.

The impact of these measures, which have sometimes been expensive for the government, has been limited for three reasons: the high cost of technical production factors, low investment in modernization and, finally, limited national and subregional demand. The government has also been partly responsible, with an accumulation of arrears in payments to private and parapublic corporations, which has put pressure on the banking system and has drastically reduced certain funds.

The three evils hindering this sector's growth must now be attacked: low productivity, weak exporting capacity and inadequate integration.

It will first be necessary to create the conditions for greater competitiveness.

The system of protecting domestic industries has operated for 25 years by means of restrictions on imports and the application of prohibitive rates without any relationship to those that are essential for realistic protection. This system has caused serious imbalances in the use of resources.

A regulatory, common law framework must be reestablished, within which corporations displaying management innovation and aptitude will be rewarded by the market. Several measures are appropriate. Most quantitative restrictions will be eliminated during a 2-year program. Customs duties will be adjusted, together with simultaneous reform of customs regulations. Industrial prices will be deregulated for corporations in the competitive sector. Finally, all

special regulations will be evaluated by the government and renegotiated with beneficiary corporations.

Next, our exporting capabilities must be developed.

Excluding peanuts, phosphates and fish, exports represent less than 20 percent of industrial sales. Despite preferential customs agreements in the EEC and CEAO [West African Economic Community] markets, our sales have neither diversified nor expanded. They have even declined by 20 percent in real terms between 1977 and 1984. In addition, the three primary processed products I just mentioned still account for two-thirds of our sales, which are consequently very vulnerable, up the line, to supply conditions and, down the line, to the fluctuations of international prices.

More and better exporting is, therefore, a necessity. Some people might reply that the cost of technical factors is very high, whether for water, petroleum products, electricity, transportation or telecommunications. This is why I attach great importance to the renovation programs of SONEES [Senegalese National Water and Electricity Company], SENELEC and Senegalese Railroad Administration, to the energy conservation program and to the need for defining a highway plan and port program closely related to industrial policy.

Nevertheless, regardless of the efforts that will be made to reduce the cost of technical factors, such costs will still be high. Consideration should therefore be given to the fact that all intensive production in the energy and transportation sectors for export purposes will be poorly competitive as long as our hydroelectric potential has not been exploited. The only activities that will be able to export will be those that have been able to overcome the constraint of relatively expensive technical factors. Thus, the only real possible solution is to move toward activities whose technological content will be large enough to alleviate the burden of scarce and expensive factors. The only exporting arrangement that will likely be possible for Senegal is one in which there is progress toward activities with high added value and production at high unit prices. The new export subsidy system will specifically be based on added value and not on sales. But I have not yet talked about our main resource: labor. The potential for improving labor productivity is very great.

In the past, low labor costs, particularly with regard to import-related revenue, did not force corporations to make an effort to train personnel or to establish remuneration procedures associated with productivity. This situation must be reexamined.

Our comparative advantage lies in our labor force, which has not been adequately considered in the management of corporations. I note in particular that our educational system has produced a skilled labor force in some technical and scientific areas, a labor force that remains underemployed or unemployed and at relatively low salary levels. This is why I call on manufacturers to invest more in occupational training. The National Office of Occupational Training, whose establishment has been approved, will be the structure best suited to meet this requirement.

As the final feature of our new industrial policy, it will be necessary to accelerate the rate at which our industries are integrated. Apart from the production of peanut oil, phosphates, fish and textiles, most national corporations process imported raw materials.

Processing industries have hardly been encouraged to use goods and materials available on the domestic market. Despite production, the substitution of imported semifinished and durable goods has not produced tangible results. Our interindustrial trade situation remains remarkably deficient. For example, it is difficult to explain why leather is imported from Italy for manufacturing shoes when our potential for producing leather and hides is considerable if we learned how to improve their quality.

The diversification of industry is, therefore, an absolute necessity. Some people will object on the grounds that our natural resources are limited. In the short term, the value of some of our basic commodities can be increased. Such are the stakes, for example, of the ICS or the modernization of industrial-scale fishing. In the intermediate term, new resources will be exploited thanks to the potential of our water resources and, if world demand permits, to our mining potential.

I cannot develop before your high assembly all the ideas underlying a discussion of industrial recovery. They concern food and agriculture, fishing, oil mills, grain processing, milk, chemicals, particularly fertilizers and related chemical compounds, the entire textile industry from SODEFITEX to hosiery and garment manufacturing, machinery and metallurgy, an area in which I know Dakar-Marine can play a decisive role once its new corporate policy is properly implemented. Accurate evaluation of these potential growth industries, preparation of suitable reorganization plans and mobilization of the necessary resources have now been entrusted to an interministerial Secretariat for Industrial Reorganization under the Ministry for Industrial Development and Crafts.

I will not go back over the various technical and financial instruments of this new industrial policy. They were described in the respective minister's speech of 12 February. A specific plan of action will be formulated between now and July.

My aim was to clarify for you the significance and stakes of this policy. The remaining question is one of knowing whether national business operators will have the management and innovation abilities to enable them to gradually move ahead with industrial promotion in a less protected and more competitive environment. I cannot answer this question in advance. They will have to answer it themselves. They have been demanding more freedom and less government red tape for a long time. The government has pledged to comply with these demands. To deserve the title of a real business operator, as I told you last year, it will now be necessary to know how to invest, innovate and take risks.

III. Response to Recommendations of Economic and Social Council.

I will conclude with an examination of the recommendations formulated by your high assembly in the course of its two regular sessions. They are of great value and I thank you for this notable contribution to the formulation of laws and decrees regarding the economic and social life of the country.

The draft law on raising mining and quarry taxes and fees has been extensively amended to include the prospecting, research and exploitation operations of mines and quarries, hallmarking of precious stones for gold jewelry and steam and gas pressure equipment of classified businesses. The laws in effect date back about 30 years and have thus lost all significance.

All your amendments were considered, whether they pertained to adequacy between the exploitation permit rate and the concession rate, raising the taxes for hallmarking precious stones for gold jewelry or the motion to incorporate in the draft law's preamble the need for providing the Directorate of Mines and Geology with sufficient material resources to enable it to better fulfill its mission.

The draft law establishing the legal and fiscal regulations for hydrocarbon research, exploitation and transportation, known as the Petroleum Code, makes numerous improvements in the previous law. In the case of the government, it introduces the possibility of concluding risk service contracts, that is, of granting persons the exercise of exclusive rights for researching and exploiting hydrocarbons without granting them research permits or exploitation concessions.

It makes it possible for the government to participate in petroleum operations either directly or through a government corporation. The effective periods of research permits have been reduced, as have those for concessions, which have been reduced to 25 years with the possibility of extension. Finally, this important draft law continues the existence of significant tax incentive measures. Your amendments concerning form were given consideration when they had the effect of clarifying certain provisions of the draft law.

The draft decree establishing and defining the operating regulations of Credit Hotelier, domiciled at SOFISEDIT [Senegalese Financial Company for the Development of Industry and Tourism], produced no basic comment on your part.

You also examined two draft laws concerning city planning.

Population pressure and the scarcity of available residential land in an area such as Dakar have led to considering the construction of high-rise buildings. This new lifestyle will involve the development of joint ownership.

Joint ownership is governed by a 1949 decree based on a 1938 French law. The draft law submitted for your evaluation organizes joint ownership around three components: the regulation of joint ownership, the property owners' association, which is the deliberative body, and the managing agency, which is responsible for implementing the decisions of the property owners' association. With regard to the association's responsibility in the case of

defective construction, it can be held liable and is responsible for taking legal action against the contractor if the warranty has not expired.

With regard to the managing agency, it cannot be replaced in its functions except in the event of insolvency or impediment. A temporary administrator will then be appointed by a court of law.

The draft law repealing and replacing the 1966 city planning code is also in keeping with the concern for adapting our laws to the new realities of urban life. It amends and supplements certain provisions of the former law regarding street layouts, parcels, reallocation and zones of coordinated development.

Next, it introduces new concepts such as land preserves, building cooperatives, mixed corporations and urban property associations, as well as concepts of population density and open areas to ensure better environmental protection and to permit the implementation of a true urban policy.

Your assembly has been sensitive to the need for avoiding uncontrolled construction that disfigures our cities. In this regard, you recognize that it is better to prevent this type of construction rather than demolish it. This is certainly one of the aims of this draft law.

I noted with great interest your comment on the profitability of Senegalese Decorative Arts Manufacturing Company.

A 1981 UN report pointed out that the major problem of Manufactures de Thies was, above all, a management problem. It is precisely for this reason that the current general management was set up, with the job of implementing a recovery plan based on three main features: increasing productivity, reorienting trade policy and diversifying production. This plan has not produced all the results expected. You cite two main reasons: unit production costs, particularly labor, representing 68 percent of expenses, and stagnating sales, despite a sizable government subsidy.

I note in passing that the quality of the products of Senegalese Decorative Arts Manufacturing Company has in no way been impugned, quite the contrary.

The recovery plan should be continued before considering a possible change in the status of this public establishment. However, I find it normal for Senegalese Decorative Arts Manufacturing Company to also participate in the government's budgetary effort and, therefore, for a subsidy reduction plan to be implemented over the next four budgetary years. Savings should be achieved by reducing infrastructures to a minimum, by establishing the so-called pin-point technique, and by diversifying the supply of wool. A production bonus system should also be established.

In the case of trade, the idea of opening two permanent exhibition centers at the Dynamics Museum and at Goree seems sensible, especially since their purpose is to improve the promotion of our goods abroad. This latter aspect is essential. Tapestry is a special product whose promotion should necessarily involve experts and artists. I also support the idea of diversifying production, such as toward manufacturing groundsheets.

Tapestry is one of the basic mainstays of our artists' creativity. Manufactures de Thies is participating in promoting our national cultural heritage. Thus it is important to preserve this tool by using every possible means to improve its technical and especially commercial management, particularly those measures which you have recommended.

Mr Chairman and ladies and gentlemen of the council, I will conclude on a subject with which you were particularly concerned in 1984 and 1985: physical education and sports in Senegal.

In your excellent report, you broached several important issues.

First, that of physical education in schools and universities. The reinstatement of such instruction has been avidly sought by the General Agencies for Education and Training. The government is seeing to this, but there is still the prerequisite of intensifying efforts to train civilian sports instructors.

Secondly, you raise the issue of a multidisciplinary system. This choice is incorporated in Law 84-59 concerning the Sports Charter: each Senegalese can choose the sports discipline he likes. However, I recognize the difficulty that sports associations have in offering the entire range of disciplines. Through force of circumstances, wrestling, football and basketball are preferred because of public infatuation with them. Efforts should be made to promote track and field sports and swimming, the two great olympic disciplines. But you can certainly understand that the government refuses to require a club or sports association to use this or that discipline.

Amateurism is still the formula best suited to our society and our code of sports ethics. I am familiar with the debates that enliven the meetings of the International Olympic Committee regarding the development of highly competitive sports. But I add that the Sports Charter also leaves the door open for private initiatives. Sports associations governed by the code of civil and commercial obligations can establish and organize themselves as they wish.

With regard to infrastructures, I would like to confirm that the stadiums of Tambacounda, Kolda and Fatick are listed in the Seventh Plan. The olympic pool project, part of the facilities of the Friendship Stadium, inaugurated in 1985, is in an advanced stage of progress. Its financing is now being sought.

And now I come to essential financial resources. The Fund for Assisting Sports and Public Education, established in 1978, is funded by collections of 15 percent of the gross receipts of all events held in a sports facility. To meet new needs, particularly for the maintenance of existing facilities and the organization of sporting events, I have asked the government to study the proposed establishment of a National Sports Office. A decision will be reached in the coming months.

Sports are an individual or collective activity that should not be under the exclusive leadership of the state. In this regard, the campaign for our

national football team to participate in the Africa Cup tournament is a perfect example of the role that the entire national community, individual volunteers, corporations, different associations and the government can play in promoting national sports.

Jean Giraudoux wrote that "sport is the art through which man frees himself from himself." I would say, more simply, that it is a form of individual development. And when I observe our young people running and sweating in the late afternoon along the Dakar coast road, I can't help thinking that with few resources they have been able to put forth a moral and physical effort that will definitely be one of our best assets for the future.

11915

CSO: 3419/244

SIERRA LEONE

CADETS TO BE TRAINED IN TANZANIA

Freetown THE NEW CITIZEN in English 5 Apr 86 pp 1, 6

[Text]

Ten out of the twenty eight cadets recently enlisted for training and subsequently service with the Republic of Sierra Leone Military Forces leave for the Monduli Military Academy in Tanzania this week for a year's officer training while the remaining 18 will undergo a similar course at the Benguema Training Centre.

The cadets were drawn from both the civilian population and the army.

According to Military sources some 300 applicants had originally vied for the 28 places but after a thorough screening, tests, medical

examination and short-listing by the Selection Board, 4 serving military officers and 24 civilians were selected on purely meritorious basis.

A senior military officer in an exclusive with the New Citizen said: "We are happy it went that way. The selection reflected the impartiality, fair play and honesty of purpose of the new military chief as at no time during or after the selection process did he indicate preferences from an individualistic stand point. He should be encouraged not to ever deviate into the contrary. This is a feather to his cap." (as if he does not have one green one already -ed).

Another military officer in the senior grade said... "This

exercise was void of tribal and political considerations and if all government employing agencies emulate this, we would have a public service recruited on basis of merit and hence efficiency."

Brigadier M.S. Tarawalie, a former Chief of Staff under Major-General Momoh made a name for himself in his handling of the Pujehun crisis and later as an able president of the Sierra Leone Amateur Cricket Association is also regarded in the army as a straight forward soldier whose respect for human dignity scales above average.

"But," said another officer.. "his smiles are rare".

/12828

CSO: 3400/1683

SIERRA LEONE

POLICE PROBE FRAUD AT TREASURY DEPARTMENT

Freetown THE NEW CITIZEN in English 5 Apr 86 p 1

[Text] Criminal Investigations Department personnel on Tuesday swarmed on the national Treasury at George Street to investigate the alarming suspicion that Le733, 185 had been embezzled by senior Treasury officials.

The police is already convinced that the crime has been committed and the matter has been duly referred to the Secretary to the President to appraise State House of the development.

It is reliably learnt that on December 31 last year a Sierra Leone Government cheque No 419130 in respect of Le733, 185 was written out by a senior official in the Treasury Department and was signed by the Acting Accountant General Mrs. Harris. It was also countersigned by Mr. Doherty and Alhaji Musa Kabia.

On further investigation the CID personnel discovered that the huge amount was paid into the personal account of

Mrs Harris at Barclays Bank, Siaka Stevens Street, Freetown.

The police are of the opinion that the Hon Musa Kabia was unaware of the fraud at the time of countersigning and therefore must have been misled.

The CID has already retrieved the original cheque and it is likely that they will use it in the event of court proceedings being commenced against any suspects that may be implicated on the matter.

/12828
CSO: 3400/1684

SIERRA LEONE

'DHL' SCAM FOR SMUGGLING HARD CURRENCY EXPOSED

Freetown DAILY MAIL in English 8 Apr 86 p 1

[Text] A big racket which has caused the milking away of hundreds of thousands of dollars and other foreign currencies through an express mailing system known as the-DHL-has been exposed by the Special Anti Smuggling Squad headed by Police Superintendent Mohamed Kai Kai, it was reliably learnt yesterday.

As a first step to counter the racket, the DHL services have been suspended pending a full scale investigation mounted by the police.

Some big names including a leading provisions businessman Mr. Wadi Aboud who is also the Irish Cousul in Sierra Leone are helping the police in their task.

Personnel of the Law Officers Department who were also invited to assist in the police investigations are reported to have completed their job and indications are ripe within police circles that the alleged offenders will be charged to appear in court later this week.

According to sources, some business people have been trafficking much needed foreign exchange from this country abroad through the DHL system without going through the banking system.

When contacted, SAS Chief Kai Kai, declined to comment, but simply said that he had completed his investigations and it was left with the authorities to make the next move.

/12828

CSO: 3400/1684

SIERRA LEONE

TRADE MINISTER ISSUES WARNING TO RICE AGENTS

Freetown THE NEW CITIZEN in English 26 Apr 86 p 3

[Text] A stern warning has been issued to all rice agents in the Western Area.

Addressing the agents in his office last Tuesday, Trades Minister Michael Abdulai warned them to desist forthwith from hoarding, profiteering or smuggling or face the full penalty of the law.

Mr. Abdulai said that government is in possession of information implicating rice agents in the malpractices surrounding the poor distribution and sale of imported rice.

The minister warned: "Government is displeased with the way and manner you are handling the rice issue in the Western Area, and is therefore going to take very stringent measures against defaulters."

"Any vehicle apprehended on the provincial route with rice meant for the Western Area will be held until the owner is identified. Such owner will then face the full penalty of the law."

Mr Abdulai however lamented the lack of adequate storage facilities of some agents, thereby causing them to use their houses as stores.

This, the minister maintained, gave rise to hoarding the profiteering.

The minister later introduced Captain A. C. Nelson-Williams of the special Army/Police anti-hoarding and smuggling squad to the rice agents.

/12828

CSO: 3400/1683

SPECIAL SQUADS RAID INDIAN, LEBANESE SHOPS

Freetown SUNDAY WE YONE in English 13 Apr 86 p 8

[Text] Indian merchants hoarding essential goods a shock last week when their shops were raided by members of the new Special Army and Police Squad (SAPS, a bid to solve problem of scarcity of these goods.

Shops owned by Lebanese, were also affected in the surprise raid.

There were scenes of jubilation from crowds which quickly milled around as large consignments of sugar; sardines; electric bulbs and mosquito coils were removed from shops particularly around Krotown road.

For weeks, there had been no sardines to be seen in any of the shops.

Mosquito coils were so in the black market and electric bulbs could not be found.

One big surprise was that the claim by Indian merchants that there was not a single battery in town proved completely false; as hundreds of medium sized and pencil sized batteries were removed from the remote recesses of some of the shops.

The result of these raids that shopkeepers have been compelled to sell these goods to the public and everyday; since last Wednesday; hundreds of people have been queuing up outside leading shops along Siaka Stevens-Street Wilberforce Street Kissy Street and Krotown Road to buy goods like powdered milk; sugar and sardines; under supervision.

These goods had gone completely out of the market.

Meanwhile a number of Indian and Lebanese businessmen have appeared in court on charges of hoarding of essential goods.

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CSO: 3400/1683

SIERRA LEONE

BRIEFS

NEW BRITISH COMMISSIONER--A new British High Commissioner to Sierra Leone has been named. He is Mr. D. W. Patridge whose appointment has been approved by Queen Elizabeth. A release from London states: "The Queen has been pleased to approve the appointment of Mr. D. W. Patridge to be British High Commissioner to the Republic of Sierra Leone in succession to Mr. R. D. Clift, CMC, who will be taking up a further diplomatic appointment." [Text] [Freetown THE NEW CITIZEN in English 26 Apr 86 p 3]/12828

CSO: 3400/1884

SOMALIA

NATION REPORTS BIG INFLUX OF REFUGEES

Blantyre DAILY TIMES in English 22 Apr 86 p 5

[Article by Reuter]

[Text]

MOGADISHU. Somalia reported on Sunday a big influx of refugees from Ethiopia and said it urgently needed food and supplies to avert starvation and disease at makeshift camps housing them.

The country's national refugee commissioner Abdi Mohamed Tarrah told reporters that 60,000 Ethiopians had fled to Somalia over recent weeks and an average 700 new refugees a day were crossing the frontier.

They were mostly from Ethiopia's Harerge region and were being sheltered at makeshift settlements near the border town of Togwajaleh in northwest Somalia.

Villagisation

Tarrah said they had fled to escape Ethiopia's compulsory villagisation and resettlement programme which has uprooted large numbers of people and which diplomats say has often brought about the break-up of families.

Western diplomats say the policy is widely resented in Ethiopia. The United States has criti-

cised the resettlement as a violation of human rights. But the Addis Ababa government says it is necessary for the long-term well-being of the populace and to prevent future famine.

The Somali official said hundreds of refugees had died from starvation and disease while trekking to the frontier. Those who reached Somalia now faced the possibility of a cholera outbreak in the crowded camps where there was insufficient water and food.

Oxfam

The British relief organisation Oxfam warned in London last week that a major human disaster was set to occur within the next few weeks if action were not taken to move the newly arrived Ethiopian refugees from Togwajaleh to more suitable sites.

It said between 4,000 and 5,000 people were arriving weekly at the Togwajaleh camps in addition to the 60,000 refugees already there.

Oxfam said in a statement, "They face a desperate shortage of water for drinking, cooking, washing and for sanita-

tion. Oxfam fears that unless they are quickly moved to more suitable camps, there are serious dangers of epidemics including cholera."

Tarrah said Somalia needed some 138,000 tonnes of food to cope with the estimated 1.5 million refugees the Mogadishu government says it is being forced to look after. So far only 93,000

tonnes of food have been pledged.

The office of the United Nations High Commissioner for Refugees (UNHCR) disputes Somalia's refugee figures and estimates there are 70,000 refugees. It argues that Somalia does not distinguish between genuine refugees and nomads.

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CSO: 3400/1642

SWAZILAND

CORONATION, COUNTRY'S POLITICAL FUTURE VIEWED

Johannesburg THE STAR in English 6 May 86 p 16

[Article by Gerald L'Ange]

[Text] That irresistible force, the international news media, met an immovable object in the form of Swazi tradition at the coronation of King Mswati III.

The immovable object won.

Representatives of American television networks and Fleet Street newspapers who are used to having doors open deferentially to them around the world were virtually shut out of the coronation.

At one stage they found themselves fighting and sweating elbow to elbow with several thousand Swazis for the privilege of standing among the cow pats in the royal kraal to get a distant glimpse of ceremonies largely obscured by regiments of tribal warriors. Some gave up rather than risk being trampled.

Swazi officials made it bluntly clear in a briefing for the 300-odd foreign newsmen trying to cover the coronation that Swazi tradition would not be compromised for their convenience.

Dignified ceremonies

Considering the guerilla-like tactics that news cameramen are forced to adopt in today's competitive news world the decision was understandable. It certainly made the ceremonies more dignified than they might otherwise have been.

But it also meant that Swaziland missed an opportunity to get international publicity — of the good rather than the bad kind, for a change — that governments elsewhere in the world would gratefully have seized and exploited. Another chance like this will not come again for a long time, if ever.

Some experienced correspondents felt the Swazi authorities could have met the needs of the foreign news media without compromising tradition. They were over-

looking the fact, however, that in Swaziland the public's right to know what the authorities are doing is not recognised to anything like the extent that it is in Western countries.

In Swaziland, the affairs of state are traditionally the responsibility of the tribal elders and senior members of the royal family. The common man is expected to leave it to them to run the country in the way they consider best for the good of the nation.

The commoner does have a say, but only indirectly, through local councils and a parliament that is not fully representative or democratic by Western standards.

These and other built-in inequalities between the elite and the commoners have been likened to a time bomb within the Swazi system. One of the major inequalities is the aristocracy's privileged access to land and business opportunity.

"The division between the privileged and the underprivileged corresponds more or less with the division of Swazi society into aristocracy and commoners," said a South African academic, Mr. Pieter Esterhuysen, in a paper published by the Africa Institute in Pretoria.

"This increases the dissatisfaction and frustration of the non-aristocracy, so that one might well ask whether the time-bomb has been defused," he said.

"The fact that one's future is determined by birth and that there are limited opportunities for advancement in the relatively small economy definitely creates grievances and frustration among the fast-growing young generation of school-leavers and sophisticated commoners — a situation which is exploited by the anti-traditionalists."

Mr Esterhuysen also said that "the built-in nepotism and rising expectations of the commoners could, in the long run, jeopardise the stability of the kingdom".

Swazis hope the enthronement of King Mswati has ended the power struggle that broke out after the death of his father, King Sobhuza, in 1982. But that power struggle was itself a challenge to the traditional system and showed up its deficiencies.

Some of the major powers of the authorities are taken from oral tradition rather than a written constitution and the definition of power and responsibility is vague.

Oral constitution

Mr Esterhuysen believes that "the oral constitution will somehow have to be incorporated into the written constitution to avoid clashes between them and to eliminate the possibility of future constitutional crises".

As he pointed out, in the long run the kingdom's stability will depend on whether the supreme authorities make changes "by means of which the commoners will be able to obtain more meaningful participation and representation in the government".

The 18-year-old king in theory inherited virtually absolute powers which he will exercise on the advice of tribal and royal elders. It is unlikely, however, that he will want to or be allowed to exercise those powers to the extent that his father did.

King Mswati III takes the throne as a much-needed symbol of authority, continuity and stability. But even as he serves that function social and economic forces are at work that will very likely result in fundamental changes in the way Swaziland is governed.

Some authorities do not rule out the possibility of the king becoming a constitutional rather than an absolute monarch, with the general populace getting a larger say in government.

TANZANIA

SWEDEN CANCELS NATION'S FOREIGN DEBT

Dar es Salaam DAILY NEWS in English 15 Apr 86 p 1

[Text] THE Swedish Government has cancelled Tanzania's commercial debt to Sweden totalling 325 million/-. Swedish Roving Ambassador, Annie Marie Sunbohn, announced in Dar es Salaam yesterday.

Tanzania's external debt at the end of last year stood at over 8,879.2 million/-.

Ambassador Sunbohn told reporters that her country, which is the leading foreign aid donor to Tanzania, intended to increase foreign aid to Tanzania in the forthcoming financial year by 600 million/-.

Sunbohn said she was satisfied with how Tanzania was using Swedish aid funds and by efforts taken by the Government to revamp the economy.

"I am convinced that the Tanzania Government understands the economic problems very well and is prepared to take measures to make changes," she said.

Ambassador Sunbohn, who arrived in the country last week, has already visited Swedish-sponsored projects in Mara and Kagera regions.

She is expected to visit the Solomon Mahlangu Freedom College in Morogoro, owned by the African National Congress (ANC) of South Africa before leaving for home on Friday.

Meanwhile, Tanzania has expressed the hope of a consensus with the International Monetary Fund (IMF) soon.

"After more than five years of negotiations, there are possibilities of convergence of views by both parties," the Minister for Finance, Planning and Economic Affairs, Ndugu Cleopa Msuya, said in Dar es Salaam yesterday.

He told the annual contact meeting of Swedish experts working in the country that Tanzania required gradual adjustment to maintain its social and national cohesion.

Ndugu Msuya said the package of measures offered by the IMF for a short-term adjustment programme would have been detrimental to social and national cohesion.

He called for the writing-off of debts owed by developing countries to effectively solve the international debt crisis.

Ndugu Msuya told the conference, organised by the Swedish Embassy in Dar es Salaam, that debt rescheduling and extension of new loans created temporary or no relief at all.

"Nobody can attest to the longevity of the system if multiple reschedulings pile on top of one another and continue to plague the system. The only way of solving the international debt crisis, one which has guarantee of success and which can go very well in all circles, is to write-off the debts," he explained.

Ndugu Msuya told the meeting of Swedish Embassy and SIDA (Swedish International Development Authority) personnel, technical assistance staff, volunteers and representatives of non-governmental organisations working in Tanzania that financiers should particularly write off intractable debts which cannot be repaid without serious impairing the recovery momentum of debtor nations.

Sweden is Tanzania's largest donor after the World Bank. The latter extends loans while Swedish assistance is mainly in the form of grants.

The Minister commended Sweden's initiatives to ease the debt burden of developing countries and the Nordic kingdom's "flexibility in adjusting to new realities..."

He urged richer countries to "take

similar moves not only to alleviate the debt burden but also to step up concessional development assistance to the least developed countries" to help them develop a strong resource base.

Ndugu Msuya told the conference devoted to "Development Co-operation in an Economic Crisis" that the Government was finalizing a recovery programme based on experiences over the last five years of economic doldrums.

He said the national economy was under severe strain since 1980 with declining per capita Gross Domestic Product (GDP), unproportional monetary expansion rate and a drastic fall in agricultural output.

Coupled with a gaping shortfall in aid flows, the situation played havoc with the balance of payments, cutting back imports and swelling

debt service arrears.

Internally, government spending in excess of income created inflationary pressures; a large parastatal sector with poor financial performance heaped further pressures on the government budget while excessive monetary expansion escalated the rate of inflation, the Minister explained.

He said the recovery programme emphasised on allocation of more resources to small holder agriculture accounting for 80 per cent of total agricultural output and 46 per cent of total GDP.

Initiatives taken to improve agricultural production include better incentives, smooth supply of inputs, improved marketing structure through co-operatives, relaxation of marketing controls and provision of consumer and other incentive goods.

/12851

CSO: 3400/1654

TANZANIA

FRG PLEDGES TO ASSIST COCONUT, FISHERIES PROJECTS

Dar es Salaam SUNDAY NEWS in English 20 Apr 86 p 1

[Article by Abdallah Yakuti]

[Text]

THE Federal Republic of Germany (FRG) is to extend to Tanzania 98m/- (11.4 million DM) for the consolidation of the National Coconut Development Programme (NCDP) and for the setting up of a special credit fund for private entrepreneurs in the country.

The FRG Government has also pledged another 13m/- (1.5 million DM) for the Zanzibar Fisheries Corporation (ZAFICO) in addition to 77m/- worth of fishing equipment donated by the Bonn government for the rehabilitation of the Corporation last September.

Briefing the *Sunday News* on the consultative talks between the German team led by the FRG Director for Africa Department, Ministry of Economic Affairs, Dr. Wolf Preuss, and the Isles top government officials here yesterday, the Executive Secretary of the Zanzibar Planning Commissioner, Ndugu Mohammed Dedes, said FRG will also assist Zanzibar develop her tourism potential.

On the coconut programme, Ndugu Dedes explained, the visiting FRG team, had appreciated the critical shortage

of coconuts in Zanzibar, which has rendered idle the recently established ghee and coconut oil plant here.

The team observed that continued assistance on the programme would enable Zanzibar to fully utilise the 18m/- plant within the next two years.

Ndugu Dedes said the involvement of private initiative in industry and agriculture has attracted the FRG interest and has agreed to make available to the National Bank of Commerce (NBC) 43m/- (5 m DM) to be used by the private sector to boost production. The fund is to benefit both Zanzibar and the Mainland.

The Executive Secretary further said the 13m/- grant to ZAFICO would service extended consultancy services by the German experts working on the rehabilitation project as well as provide for new refrigeration facilities for the corporation.

During the talks, according to Ndugu Dedes, FRG also agreed in principle to offer technical support to the Zanzibar Planning Commission for effective and efficient monitoring of development programmes in Zanzibar.

/12851
CSO: 3400/1654

TANZANIA

REFUGEES WARNED AGAINST DESTABILIZATION

Dar es Salaam DAILY NEWS in English 11 Apr 86 p 1

[Text]

THE Minister for Home Affairs, Ndugu Muhiddin Kimario, has warned aliens with refugee status to refrain from using Tanzanian territory as a launching pad for destabilising their countries of origin.

The Minister was addressing leaders of Ulyankulu Refugee Settlement in Tabora Region. The settlement has a refugee population of 30,000, mainly from Burundi, *Shahata* reported.

The Minister said apart from engaging in destabilisation activities against their home countries, it had been discovered that some of the refugees had turned into poachers, robbers and smugglers of government trophies and other commodities outside the country.

Ndugu Kimario said those activities were treasonable because they helped the country's enemies to undermine peace and the national economy whose continued weakness was not only detrimental to Tanzanians but to the refugees as well.

The Minister strongly warned that the Government would no longer tolerate these activities or allow its territory to be used in

hatching plots against the refugees' countries of origin.

He reiterated Tanzania's principle of friendship and peaceful living with all neighbouring countries, stressing that the refugees had to respect that stand. He warned that those who will go against this principle had no place in the country.

Ndugu Kimario stressed the need for the refugees to live peacefully and expose to the Government elements seeking to break the country's laws.

He urged them to use their earnings from agriculture, livestock keeping and other activities to uplift their standard of living, including building better houses.

In their message, the refugee leaders at Ulyankulu thanked Tanzania for its hospitality since they arrived in the country in 1972 and promised to co-operate with Tanzanians.

The refugees contributed 5,000/- for the construction of the Party Headquarters in Dodoma.

Ndugu Kimario was in Tabora to inspect activities run by various departments under his Ministry.

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TANZANIA

ZANZIBAR GOVERNMENT TEMPORARILY SUSPENDS FOREIGN TRAVEL

Dar es Salaam DAILY NEWS in English 9 Apr 86 p 1

[Article by Abdallah Yakuti]

[Text] The Zanzibar Government has temporarily suspended, with immediate effect, travel abroad by public officials and individuals in a bid to conserve foreign exchange.

A circular letter by the Zanzibar Treasury to all principal secretaries and heads of parastatal organisations here yesterday described the Zanzibar foreign exchange situation as precarious, calling for stringent conservation measures.

It said effective yesterday, the Zanzibar Ministry of Finance could only approve requests for the purchase of air tickets and travel allowances abroad by public officials and individuals on trips which would result into boosting endeavors to revive the Isles' economy or for medical cases requiring urgent, specialised attention abroad.

The circular stressed that all commercial dealings or negotiations now in the pipeline between Zanzibar and friendly governments or international organisations would now be handled by Tanzania missions abroad on behalf of the Zanzibar Revolutionary Government.

It did not indicate the fate of study tours abroad in which case invitees receive prepaid tickets and the host governments or organisations also meet accommodation expenses.

It said, however, that any trip requiring Isles' foreign exchange had been suspended until further notice.

In a major policy speech to the Zanzibar House of Representatives which was meeting in Pemba last week, the Zanzibar Minister for Finance, Ndugu Taimur Saleh Juma, said Zanzibar's economic prospects were bleak.

He said low clove prices in the world market, a drop from the average of 180,000/-per tonne to about 64,000/- recently; hiked prices for fuel, foodstuff, and other inputs from abroad, had eroded Zanzibar's foreign reserves to dangerous levels.

The Minister, therefore, called for indidious use of the little hard currency available by halting large projects requiring massive infusion of foreign exchange.

On the average, Zanzibar generates about 500m/- in hard currency annually through clove exports, of which about 200m/- is spent on food imports.

Meanwhile, the Zanzibar Government has boarded off MV JAMHURI and MV AFRIKA hitherto operated by the Zanzibar Shipping and Agencies Corporation (ZSC) and has allowed the Corporation to sell the two vessels due to difficulties in acquiring spare parts to service them.

The two vessels, bought by the then Sultanate of Zanzibar from Britain in the 1950s, formed the nucleus of the Isles shipping fleet following the establishment of the ZSC in 1965.

To date, the Corporation operates six vessels including the two on sale.

The ZSC Acting General Manager, Ndugu Hassan Mwinyi, yesterday described the condition of MV JAMHURI, with a capacity of 450 passengers and 400 tonnes of cargo, as serviceable; only needing minor repairs on her twin power generators. The main engine is perfect, he said.

The smaller 250 passenger MV AFRIKA, he explained, needed extensive rehabilitation on her main engine and power generating plant before it could be certified as sea worthy. The crate can carry 100 tonnes of cargo.

The dispatching of MV MAENDELEO to Mombasa, meanwhile, for a special survey earlier scheduled for this month, may be delayed due to shortage of hard currency to pay for the repairs.

The Corporation's Technical Manager, Ndugu Amu Maulid Mjaka, said here yesterday that the Japanese built vessel, with a capacity of 500 passengers and 600 tonnes of cargo, had been due for the repairs which entails the tuning up of its engines, generators and air conditioning system, since 1983.

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TANZANIA

TRANSIT FACILITIES FOR NEIGHBORING COUNTRIES GUARANTEED

Dar es Salaam DAILY NEWS in English 23 Apr 86 p 1

[Text]

TANZANIA has pledged to continue giving transit facilities to facilitate smooth transportation of goods to neighbouring land-locked countries including Malawi.

The pledge was made in Dar es Salaam yesterday by the Principal Secretary in the Ministry of Communications and Works, Ndugu Odira Ongara, when opening three-day consultations on transportation between Tanzania and Malawi. *Shihata* reported.

He said Tanzania's commitment to improve the transport network also aimed at strengthening the existing relations between the two countries.

Ndugu Ongara said the opening of the Kiwira-Songwe road from Mbeya Region to Malawi, was part of Tanzania's efforts to alleviate transport problems facing some member countries of the Southern Africa Development Co-ordination Conference (SADCC).

The Principal Secretary said

by providing transit facilities to neighbouring countries — Malawi, Zambia and Burundi — Tanzania was implementing one of SADCC's initiatives to improve transportation in the area.

In reply, the Malawi Principal Secretary in the Ministry of Transport and Communications, Mr. Stalan Mpata, called on the two countries to look for further areas of bilateral co-operation.

Mr. Mpata said Malawi had finalised consultations with a number of donor countries to construct new roads and other transportation facilities in the country.

He said already, some donor countries which included Britain, United States, the European Economic Community, the World Bank and the Netherlands, have shown willingness to assist Malawi in developing its transport network.

The thirteen-man Malawi delegation, which arrived in the country on Monday, leaves for home on Friday.

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TANZANIA

REPORTER TRACES NATION'S SEARCH FOR ENERGY ALTERNATIVES

Dar es Salaam DAILY NEWS in English 23 Apr 86 pp 4, 5

[Article by George Nyembela]

[Text] Tanzania's search for alternatives to oil energy has been going on since 1970's because of the rising price of oil. Power generation from indigenous sources of energy such as hydro-electricity is now basic to the country's energy policy.

The Great Ruaha River has been a major source of hydro-electric power production in the country since 1970 with the main exploiter being the Tanzania Electric Supply Company Limited (TANESCO).

In order to meet the increasing power demand in the country, TANESCO decided in 1984 to start the third phase of the Great Ruaha Hydro-Power Project now in progress. The project comprises of constructing an underground power plant at Mtera, located on the southern river banks just below Mtera Dam.

TANESCO Chief Project Engineer, K. Abdulla said that the first phase of the Great Ruaha Hydro Power Project was constructed between 1970-1975.

The project involved the construction of a dam and an underground power plant at Kidutu, which utilises a natural water fall in Ruaha River of about 165 metres.

The Kidatu reservoir contains 125 million cubic metres of water. Close to the dam is an intake for a 10 kilometre head-race tunnel leading to the underground power station which initially housed 2 turbine generator units of 50 megawatts each. From the power house, power is transmitted to the central grid via a 220 kV Switchyard and then travels through a 340 kilometre long 220 kV transmission line with substations.

As the demand for low cost energy increased, the second phase of the project was started

by construction of a 660 square kilometre dam at Mtera, some 160 kilometres upstream from the Kidatu Power Plant. Works on the dam were completed in December 1980 when collection of water started.

At Kidatu the phase two works comprised of installing two additional generating units and extension of the Morogoro substation. This added to four units generating a total of 200 megawatts which made the Kidatu plant fully developed.

The storage capacity at the

Kidatu reservoir caters only for short-term variations in the daily and weekly power output at the power plant. But the Mtera dam with a water volume of 3,200 million cubic metres was built to ensure sufficient water supply to the Kidatu Power Plant during the dry season and also to provide storage capacity to cover three consecutive dry years.

According to the Swedish Consulting Company (SWECO) Engineer's representative at Mtera, Ragnar Fossgaard, the third phase underground excavation of the area which will house the turbines is almost complete and the contractor M/S Sadelmi of Italy has started preparatory work for the installation of machines.

Installation work is expected to start in September this year, when all necessary equipment will have been gathered on the site. Fossgaard said the Mtera plant will harness power from the newly created 100 metre fall whose water joins that of other natural falls over a distance of 10.5 kilometres downstream from the dam.

When completed, the head-race tunnels will convey water from an intake at the dam to the turbines in the underground station. The tailrace tunnel of 10.5 kilometres long from the power house is being constructed to allow the water to rejoin the river at the area of natural falls.

The underground power station, which will be reached via an access tunnel, will house all generating equipment, control block and will be connected to the entrance building at ground level by 125 metre long vertical shaft which will contain a lift, stairways, cables and ventilation.

So far the 10.5 km tunnel has reached 2.5 kilometres. Excavation of the tunnel which started in 1984 by an Italian firm-Cogefar-reached a record excavation rate of 770 metres in March this year. Earlier the record was 450 metres per month. The success of the excavation in March, according to the Contractor, is attributed to many factors, among them the good rock on which civil works took place during the month and the attainment of explosive skills by the local staff.

After every blast, which shocks the whole tunnel, dumper trucks are used to haul the heap of rock which peels off. Then follows the work of rock strengthening-where a rock peels off badly-with bolts and cement. Then follows drilling work in preparation for another blast. This way an average of 8 metres of tunnel is constructed daily. The tunnel is big enough to accommodate a dumper truck and a rotating loader.

Air inside the tunnel is brought in by a ventilation pipe which also helps to clear away bad smell and smoke caused by blasts. the Mtera Hydro Power Project is estimated to cost Tshs. 1,500 million. Civil works will cost Shs. 821 million, mechanical works Shs. 95 million and turbines Shs. 105 million. The above tasks will be undertaken by Cogefar of Italy, M/S Sadelmi of Italy and Kvaerner Brug of Norway respectively.

Generators and Electrical equipment which will cost Shs. 145 million will be installed by an Italian Firm-Brown Bovari and Company (BBC), transformers by National Industrial of Norway at Shs. 23 million and Engineering Services by a Swedish Consulting Company at Shs. 167 million.

The financiers of the project include the World Bank, Kuwait Fund for Arab Economic Development (KFAED), Mediocredito Centrale Kredis-tanstalt fur Wiederaufbau (KfW), of the Federal Republic of Germany., Norwegian Agency for International Development (NORAD) and Swedish International Development Authority (SIDA).

When the project is completed in 1988, an important milestone will have been reached by Tanzania in its efforts to seek alternative sources to oil. On completion, the Mtera plant will be able to generate 80 megawatts bringing Tanzania's installed power capacity to 326 megawatts.

According to TANESCO, the 326 megawatts would be sufficient to meet national power requirements to between 1972 and 1993. The implication of this is that from now TANESCO will have to look for a project which will take over from 1993.

After completion the Mtera project will be connected to the national grid, at Mtera, on the Iringa--Dodoma grid line. The 220 kV Italian financed grid was completed in 1985. The grid line which is being constructed to reach Mwanza in 1988 will also cover Singida, Tabora and Shinyanga regions.

The third phase of the Great Ruaha Hydro Power Project will be completed by the construction of the national grid control centre at Ubungo in Dar es Salaam. The centre which will be built by BBC of Germany will cost Shs. 114.6 million. When completed, various power stations in the country will be controlled from Dar es Salaam.

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TANZANIA

METALS ASSOCIATION EXPANDS OPERATIONS

Dar es Salaam SUNDAY NEWS in English 20 Apr 86 p 7

[Interview with Ndugu Peter Mukami, Metal Engineering Industries Development Association Executive Director by staff writer Daniel Mshana; date and place not given]

[Text] Like in any other developing country, in Tanzania, the need to develop the engineering sector so as to stimulate the industrial growth cannot be overemphasised. However, many people in the country have been wondering if enough emphasis have been put into that sector, noting that those involved in the 'Social arts' sectors enjoy more fringe-benefits and the public glory.

[QUESTION] Before we discuss on your current problems and progress, can you tell us the main objective of your Association? How does one qualify to be a member?

[ANSWER] Basically MEIDA is an independent association of enterprises and institutions in the metal engineering sector. These are enterprises whose activities either use metals as a raw material in their manufacturing processes or produce metals as their output. Also included in our membership are institutions that give services or products that in our opinion are crucial to the functioning of the metal working industries.

Membership is open to all enterprises whose activities meet the above definition regardless of whether a company is private or public. After filling in the necessary forms, the company's premises are visited by the Secretarial and a report compiled and tabled for the Association's board of Directors scrutiny and admission or rejection of the applicant.

The Association was formed to be a forum for exchange of information and experience among industrialists, to act as a link between the metal sector and the Authorities, and be a platform where techno-economic problems affecting the metal working industries are constantly identified with a view of finding solutions or recommending measures for their solutions.

[QUESTION] How many industries are affiliated to MEIDA and what has been their general performance in 1985/86, taking into account that most of the country's industries are operating at very low capacities?

[ANSWER] We now have 135 members within the Association. MEIDA members, like other enterprises in the country, have not been spared by the economic situation that our country is now passing through. Like other industries, capacity utilizations in our sector are very low and some members have actually had to close down during 1985/86.

I would say that, perhaps even more than other sectors, the metal working industry has been more severely hit by this economic situation. This is so because unlike most sectors, ours is almost completely dependent on imported raw materials, there being no local iron and steel industry.

[QUESTION] Do you regularly get an injection of import-support funds and how does MEIDA ensure all its members benefit equally?

[ANSWER] Thanks to the Ministry of Industries and Trade, and to the Swedish International Development Authority (SIDA), MEIDA has been receiving regular import support funds. We have now received import support for four consecutive years.

As per the decision of the members general meeting, the import support fund is divided equally amongst all MEIDA members. Though when thus divided, each member gets only a very small amount of foreign exchange, the support is still however of a life giving nature to our members.

[QUESTION] Some of your members like Afro-Cooling Systems, Jandu Industries and Sadolins Paints are well known for manufacturing good quality products like radiators, silencers, paints, battery boxes, fuel tanks and the like which have been able to compete well with imported ones. What prevents these industries to expand their activities, so that the nation can stop or curb importation?

[ANSWER] The companies you have just mentioned are those that are involved in the manufacture of Scania components for the Tamco plant at Kibaha. It is true that these company's components are of a very good quality and have been approved for use as original or genuine Scania parts. As far as I know we are not importing these components into the country any more, at least not for Tamco. In addition to Scania components these companies also manufacture components as spare parts for other types of vehicles in the country and I am sure these too are of a good quality. These companies, like our other members have also been affected by the foreign exchange problems affecting the country and as such are also not operating at full installed capacity.

[QUESTION] Other members produce farm implements such as hand hoes, plough shears, pangas and shovels. But there are reports that the pangas, have been piling up at the Cotex factory and welded round eye-hoes at the Simon Engineering Works Limited, for lack of market. How serious is this problem?

[ANSWER] As far as farm implements are concerned, MEIDA members came into the picture when it was felt that, without substantial investment in additional equipment, the existing spare capacities could be utilized to manufacture farm implements and thus supplement the efforts of the big farm implement manufacturers (UFI and ZZK) in meeting the demand. This was back in 1982 when there was a really big shortage of these implements in the country.

The philosophy as such has worked and is practical. All the implements you mention have been manufactured using equipment that was already existing in our members. The only assistance given was in the importation of raw materials and in one or two cases dyes had to be imported.

The problems of pile-ups of implements that you mention are a result of a now changed situation. Of late, UFI has substantially increased its production of round eye hoes. Whereas in 1982, UFI's production of this implement was about one million hoes, last year UFI manufactured 2.5 million. When Simon Engineering welded hoes came in the market, the market was awash with hoes hence the pile up. Don't forget there is always inertia to change. Even though quality and functionality are the same, the customers preference is always toward a product he has been used to for years. Also the demand statistics that we were working on were not entirely correct. As for the straight pangas, the problem was only that of price. This has now been sorted out and Pangas are selling normally.

[QUESTION] I do not understand how the farm implements can lack the market when there are peasants in remote districts in the country who complain of shortages. I think the problem lies with a poor marketing strategy or procedures. Do you agree?

[ANSWER] The institutional arrangement which has been in use regarding the distribution of farm implements is constantly being refined by the authorities so as to become more responsive to the needs of the peasants.

Now that the cooperatives are back on the scene, these could be of great help to the end users. We in MEIDA are willing to share our information with other institutions on what could be offered by MEIDA members.

[QUESTION] Many factories have either suspended production or closed down due to lack of foreign exchange with which to buy the badly needed spare parts. But some of your members like the Tanzania Spares Manufacturers and the Mang'ula Mechanical Machine Tools Company which have expertise and capacities to produce varied spares in their workshops have done little to help these industries, which are compelled to queue at the central bank for forex allocation to solve their spares problem. Why should this happen under your very nose?

[ANSWER] This is not quite true. First of all starting with a more positive note, due to the difficulties you have just mentioned, engineering and technical personnel in many companies here, where feasible, made a lot of inhouse innovations in their processes or components in a bid to survive.

Secondly, it is not true that Mang'ula and other similar companies are doing little to help other industries. These companies are doing their best in this situation. There are many problems connected with the subcontracting approach. These can be looked at from many angles and indeed this would form a subject onto itself.

The problem of 'spares' has to be analysed in a very systematic manner. A production facility has many components -- electronic, electric, pneumatic, etc. If we confine ourselves to say mechanical components only even here there are a number of important issues to be looked into.

Who is doing what and where, what sort of equipments and facilities are available, where their range and performance, characteristics and whether there is space capacity. This is important in the determination of the production flow process to be adopted, the economies of scale and price levels involved. Fortunately MEIDA has now a lot of this data in respect of our members. This will soon be published in a directory.

There is however yet another consideration. Tanzania does not have an iron and steel industry. Various grades of ferrous and non-ferrous materials have to be imported to start with. One has to be very careful with the selection of the right materials which have to perform certain tasks under some designed conditions. On importing raw materials for the manufacture of spares, the foreign exchange efficiency utilization factor versus the importation of a ready made component then judgement should be made taking into consideration all other social economic factors.

This has been outlined in rather broad terms, but each point has an influence in our desired goal of enhancement of local manufacture of spares.

[QUESTION] How many factories have you helped in the past two or three years (and if figures are available, how much money has been saved) in providing preventive maintenance or to put it more clearly, in the reconditioning, overhauling, refitting or renovating some of their industrial equipment, plant or machinery?

[ANSWER] MEIDA started helping the factories with industrial maintenance in 1981, when the Problem Oriented Training (POT) project was started. The project specific for each factory involved maintenance survey, inplant training of engineers with technicians and implementation of the maintenance system. In the second phase II companies were involved and in the current phase, five companies are involved. It is not easy to quantify the savings, but I can assure you there has been a tremendous saving due to less breakdowns which means less consumption of spare parts and increased production.

Last year MEIDA formed with assistance of SIDA a subsidiary company specialised in offering maintenance services. The company called MEIDA Maintenance Services offers maintenance consultancy, training, condition, monitoring and reconditioning of spareparts. Within the short time they have operated, with

special techniques, brush plating and metal spraying, they have been able to help 10 industries recondition the parts which would otherwise have been stuck. At the moment, they are conducting an industrial maintenance management programme for engineers in 15 companies at the Morogoro Shoe Company.

[QUESTION] How often does MEIDA meet industrialists to discuss with them a particular technical oriented problem and render a suggestion to its remedy? Do industrialists cooperate and need your advice?

[ANSWER] We have a programme where a member is routinely visited at least every year by a member of staff from the Secretariat. The visits normally last about one working day. In addition to these routine visits, we also visit members wherever there is need to do so.

We also communicate to our members through newsletters. The association also has one publication "The MEIDA haban" which we issue four times a year. Members also meet at least once a year in a general meeting where matters of interest to the sector are discussed. We have very good relations with our members and the cooperation we receive is excellent.

[QUESTION] I have attended several industrial workshops in which participants have accused the government for neglecting engineers and generally all technicians. They claim engineers do not get enough privileges and benefits like persons involved in administration work. Do you support them?

[ANSWER] Our members employ experts of various disciplines to deal with the various activities undertaken in their respective enterprises. This issue has not featured in any of our previous members meetings and as such it is rather unfair to comment on an issue like this. Moreover, we believe that this is a topic for another forum, maybe the Institution of Engineers.

On a personal level however, being an engineer myself, I would tend to agree with them to a certain extent.

Similar views were expressed by Members of Parliament in their recent discussions of the Bill on the Tanzania Commission for Science and Technology. I believe the government is taking measures to rectify the remedy.

[QUESTION] Do you think Tanzania has developed a technological culture? For instance, I have not seen an evening class for engineers but only French, accounts, literature, arts, typing and the like. Do you think many people follow what engineers talk about, like they do when Simba and Yanga are playing soccer?

[ANSWER] Technology is progressing at a rapid pace and this will definitely continue to have an influence on our lives on a number of ways particularly the microchip revolution and the "information age" we are now entering. Tanzania is part of the world, so the way decisions are made, business is done, communicate, make products and so for they are and will have to be seen and felt. It is being built on a step-by-step approach.

National vocational training centres and the technical colleges do offer some evening classes for a certain level of engineering technical personnel.

For Engineers what is lacking is continuous information on new products and processes, technical journals on various disciplines and other useful literature which the companies know and used to receive in the past. These are extremely useful for this country.

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TANZANIA

BRIEFS

DPRK TO ESTABLISH KYARANO PROJECT--Tanzania and the Democratic Peoples Republic of Korea (DPRK) on Friday signed an agreement for the establishment of the Kyarano Irrigation Project in Mara Region and an oxcart manufacturing factory in Shinyanga. The agreement was signed in Dar es Salaam by the Minister of State in the Prime Minister and First Vice President's Office, Ndugu Charles Kileo and DPRK Ambassador to Tanzania, H. E. Li Ryong Yon on behalf of their respective governments. Speaking before the signing ceremony Ndugu Kileo said that the projects were an expression of the growing friendly cooperation between the two countries. SHIHATA reported. He said that the projects, assisted by the DPRK, were in line with the implementation of the nation's agricultural and livestock development policy. Ndugu Kileo said the Second Phase Government has put more emphasis on agricultural and livestock development as a base for future economic and social development. Ambassador Li pledged his country's continued support for Tanzania's agricultural endeavors within the spirit of mutual cooperation. Meanwhile, the Mbeya Rural District Party Secretary, Ndugu Mohamed Omari has commended experts from the Democratic Peoples Republic of Korea (DPRK) for their efforts to introduce modern agriculture in the country. The commendation given at the weekend during a party to bid farewell to six Korean experts at Inyala Village in Mbeya Region. Ndugu Omari said that the expertise extended by the experts had tremendously boosted production of crops and made Inyala Village a good example. He said that during their stay in the country, the Koreans lived just like ordinary Tanzanians and enjoyed good cooperation from the Party and Government leadership at all levels. Meanwhile, Ndugu Omari hailed Inyala Village Government for paying the 200 annual development levy for their 826 villages which amounted to 165,200. [Text] [Dar es Salaam DAILY NEWS in English 7 Apr 86 p 3] /12851

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SOUTH AFRICA

POLL SHOWS URBAN WHITES FAVOR REFORMS

Johannesburg THE CITIZEN in English 22 Apr 86 p 19

[Text] URBAN Whites have come out strongly in favour of a number of reform moves announced recently by President P W Botha, with one glaring exception — the proposed release on humanitarian grounds of jailed African National Congress leader, Nelson Mandela.

This is the result of a recent Gallup Poll conducted among 1 000 White adults living in the metropolitan areas.

The survey found that 67 percent of those questioned support the idea of a common citizenship for everyone irrespective of race, 71 percent the opening of city centres for businessmen of all races and 77 percent the concept of equal education for all.

However, 66 percent are adamant that Nelson Mandela should not be released for humanitarian reasons.

On all these issues, Whites are split down the lines of income, residential areas and language.

Of those questioned,

English-speaking people were more broad-minded than their Afrikaans counterparts. On the issue of common citizenship, 81 percent of English-speakers are in favour while 50 percent of Afrikaners support it.

Eighty-five percent of English-speakers and 55 percent of Afrikaners favour open business centres; 90 percent of English-speakers and 62 percent of Afrikaners believe in equal education; while only 40 percent of English-speakers and 20 percent of Afrikaners would like to see Nelson Mandela released.

In each case, support for President P W Botha's reform announcements were considerably stronger among those in higher income groups.

With regard to the different urban centres, Cape Town was most strongly in favour of the reforms (74 percent average for all four issues), followed by Durban (64 percent) and East London/Port Elizabeth (60 percent).

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SOUTH AFRICA

AFRIKANER WOMEN BEING MOBILIZED THROUGH NEW ORGANIZATION

Johannesburg SUNDAY TIMES (Metro) in English 27 Apr 86 p 4

[Article by Elsabe Wessels: "Women Rally to the Brandwag"]

[Text] **AFRIKANER women are being mobilised nationwide in a quixotic quest for a Boere Volkstaat.**

Heading the newly founded Die Boervrou women's movement is Heidelberg high school teacher and dominee's wife Dr Baba (Johanna) Boshoff.

Dr Boshoff does not appear as a gun-wielding fanatic, but the Heidelberg Volkshoërskool teacher and mother of seven, is deeply committed to the idea of an Afrikaner state — an ideal pilloried by large numbers of her fellow Afrikaners.

As head of Die Boervrou, Dr Boshoff has embarked on an extensive membership drive in the Transvaal and Free State, and has covered vast distances to address potential followers.

The presence of women at AWB rallies has become a noticeable feature of the ultra rightwing movement.

Female Brandwag members dressed in khaki, Boervrou members dressed in black skirt, white shirt and red bowtie, and children in gym gear have given AWB women a high profile at the meetings.

But as far as Dr Boshoff is concerned "this is only the beginning".

Warning

"Few women have joined the AWB because of its masculine image. But the founding of Die Boervrou will bring Afrikaner women to the forefront of the struggle."

And how does this holder of a literature PhD degree feel about the offensive racial discrimination and neo-fascist ideologies of the AWE?

She believes a white fatherland is necessary to retain the peaceful existence of the historic Boer Republic.

But the "peaceful" claim is contradicted sharply by the militant appearance of the AWB and the paraphernalia which accompanies all their rallies.

Dr Boshoff appears as undaunted as AWB leader Eugene Terre Blanche over the realistic and logistical problems facing their dream to recreate the Boer homelands.

"We issue a warning to the ANC. We will meet them head-on," she says aggressively.

"I don't feel threatened and I have no fear. All I want is to see the birth of a Boere Volkstaat," she declares.

"We will prepare the women spiritually for the trek towards our own Boere Volkstaat."

"Such preparation includes upholding the Afrikaner language, restoring the sanctity of marriage and striving towards an own country, own schools and own churches.

"We don't hate and don't nurture hate. We just want to be ourselves — a Boervolk in a white fatherland," Dr Boshoff says, reiterating her ultimate dream.

Spiritual

Dr Boshoff's final pledge?

"The AWB woman is going with her man, not over him, in creating the ultimate Boere Volkstaat."

Mr Terre Blanche claims the movement does not want to turn its women members into Leila Khaleds — the Palestinian terrorist.

"We need the spiritual strength of the women to assist their husbands in the struggle".

SOUTH AFRICA

NONRACIAL COUNCIL TO ADMINISTER SCHOOL SPORTS

Johannesburg THE CITIZEN in English 21 Apr 86 p 2

[Excerpts]

EAST LONDON. —

A non-racial Southern African Schools Sports Council to administer all sporting codes at school level was formed in East London at the weekend.

An inaugural meeting, chaired by Mr Jan Preuyt, President of the South African Schools Rugby Union, and sponsored by the South African Rugby Board, agreed unanimously that sport at school level was able to look after its own interests. The delegates represented sporting codes from all communities.

A steering committee was appointed under the chairmanship of Mr Preuyt to draw up a constitution and a final declaration of intent to act as an umbrella body for all sport at school level.

Mr Dyers told the meeting of problems

caused by the lack of communication between the different community groups. He noted there were 14 provincial unions, each representing about 100 non-White schools, who will be cared for by the formation of a body of this nature.

"A problem among non-Whites is the lack of competition and this turns them back to a political group like Sacos, who in turn ostracise them," said Mr Dyers.

"An example is rugby. Boys who play rugby across the colour-line are kicked out of every other sport at school.

"We have an inherent loyalty to South Africa, but lack of opportunity and the outmoded concept of discrimination are stifling. A body of this kind could be a catalyst in a normal sporting society," Mr Dyers said.

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SOUTH AFRICA

BRIEFS

WHITE GROUP ON 'INDABA'--Die Aksie Blank Natal (Action White Natal) said the State President, Mr P. W. Botha, had no mandate from Whites of Natal on the principle of a common administration for Natal and Kwa-Zulu. "It is deception of the highest degree to further the aims of the indaba while pretending not to support the indaba itself," Die Aksie's spokesman Mr J. Wolmarans said. "We noted the presence of Nationalist Party MPs as observers at the indaba and that the State President was now implementing the recommendations submitted to Mr Heunis by Mr Cadman and Mr Martin, both of the Natal Provincial Administration. "Die Aksie Blank Natal rejects with contempt the State President's proposals which are only another step in the direction of a multi-racial legislative body for Natal and Kwa-Zulu," he said. [Text] [Johannesburg THE CITIZEN in English 21 Apr 86 p 5] /12851

MULDER ON REFORM--Durban--Black people were not by nature democratic, Dr Connie Mulder, Conservative Party representative on the President's Council, said in Durban this week. Speaking in the city hall to an audience of about 200 people, Dr Mulder said that if a Black majority ruled, South Africa would not be a Western democratic country. "When the Black man rules, he rules alone," Dr Mulder said. He said if it was accepted that South Africa was a unitary state, there had to be a common citizenship and universal suffrage, as President Botha had done, then no matter what checks and balances were imposed there would be Black majority rule. He said the solution to the country's problems was to partition it into 13 independent states, each occupied by the 10 Black nations, the Whites, the Coloureds and the Indians. Dr Mulder challenged the Government to call a general election this year and said it wouldn't win a single rural Transvaal seat. [Text] [Johannesburg THE CITIZEN in English 25 Apr 86 p 11] /12851

AMNESTY FOR 20,000---More than 20,000 people in jail are to benefit by an amnesty announced in Parliament yesterday by Justice Minister Kobie Coetsee. The amnesty will come into effect from May 31--the 25th anniversary of the Republic. Coetsee said President P. W. Botha had agreed to a special six-month reduction in sentences for prisoners convicted on a range of offences. Most of those prisoners affected were convicted of offences related to unrest as well as robbery, rape and grievous bodily harm. Coetsee said details of the amnesty were being forwarded to the commanding officers of all prison commands. [By Chris Cairncross] [Text] [Johannesburg BUSINESS DAY in English 24 Apr 86 p 1] /12851

CSO: 3400/1641

SOUTH AFRICA

BUTHELEZI ADDRESSES UWUSA OPENING DAY RALLY

Johannesburg THE STAR in English 5 May 86 p 12

[Text]

The United Workers' Union of South Africa (Uwusa) was launched at a rally attended by more than 70 000 supporters in Durban on May 1. Backed by Inkatha, the union's launch is likely to have significant impact on the labour movement. In contrast to the major emergent union groupings, Uwusa is against disinvestment and sanctions to force reform. Chief Mangosuthu Buthelezi, Chief Minister of kwaZulu, was the guest speaker at Uwusa's launch. This is an edited version of his address.

I have come to plead with you to state for my own guidance, whether you support disinvestment and sanctions against South Africa. This would also serve to guide the United Workers' Union of South Africa which is being inaugurated here today.

Church and political organisations have spoken in your name in favour of disinvestment and sanctions. Shall I tell Western heads of state that you now want disinvestment and sanctions imposed on South Africa?

Shall I tell them that you are now ready to suffer even more deprivations than you are suffering already, if these are worsened by any imposition of these?

The crowd responded with an overwhelming "no".

The union we have come here to inaugurate is a workers' union. It is not a tool of Inkatha. Uwusa consists of black people who abhor apartheid for the scourge that it is, as much as any other opponents of apartheid.

Angry members

While members believe in negotiations on the factory floor and also in a negotiated future, they are as impatient, and as angry as anyone of us, as a result of the continuing existence of apartheid and oppressive rule in South Africa.

Many pals of the Congress of SA Trade Unions (Cosatu) in the local and international media have tagged Uwusa a "capitalist union". This is, of course, a lot of balderdash. They have aligned me with Uwusa and described me in the same denigratory terms.

I have stated many times to captains of industry, that the free enterprise capitalist system as it operates in South Africa has thrived on the exploitation of black labour. This has been more the case in the past than is the case at present.

Unless blacks are given entry into the free enterprise system it can have no future in a liberated South Africa. Despite the handicaps it has, I know of no other economic system devised by man which can create as many jobs as it can.

I have expressed concern that with the birthrate of three percent per annum among blacks, we have vast needs for the black population — half of which consists of people who are only 15 and younger.

Cosatu lambasted me with haste for daring to say that they were fronting for our brothers in the external mission of the ANC, and yet, on March 5 and 6 they had a consultation in Lusaka with the leadership of the ANC.

Uwusa has been accused of being "divisive" by its mere formation. Yet within this country there is the Council of Unions of South Africa (Cusa) which has not been ac-

cused of being divisive by having its separate existence outside of Cosatu.

There are also United Democratic Front and Azanian People's Organisation-supporting unions — they are not accused of being "divisive".

No black worker in South Africa can say that I am a newcomer to the area of labour relations. In this province it will be recalled how I and my Ministers were involved in the successful strikes by black workers in 1973. I stood by the workers to the bitter end. I will always do so.

I accept that the strike weapon is one thing which workers have to use when negotiations between labour and management break down. The right to strike is the workers' prerogative. The strikes in 1973 were described as "wild cat strikes", because black workers

at the time had no machinery for negotiations with management.

There have been wild allegations that Uwusa will not strike. That was a deliberate distortion of Mr S Conco's statement when he warned against striking at the drop of a hat for things that do not serve the interests of workers. There are people who want to abuse workers by using them to further destabilise the economy.

The economy of South Africa belongs to all her people. It is grossly irresponsible to do things that will ruin it. There are organisations which are promoting anarchy in our townships in the hope that they will succeed in making South Africa "ungovernable".

We in Inkatha do not believe in creating chaos in South Africa where negotiations then become impossible. We feel this way because once the economy is ruined, it is almost impossible to restore it to its normal state in a generation or two.

Negotiation channels

Workers have now got machinery for negotiations with management right up to Industrial Courts. There is no reason today why workers should go on strike before they have exhausted all the channels that are now available for negotiations.

That is not to say that workers will not go on strike if and when this is warranted. But workers must guard against being used by people who want to carry out their own political programmes, by standing on their backs.

We will support workers when they use their right to strike. We are prepared to do anything that is in the interests of workers.

There are people who want to ruin the economy because they believe in setting up a socialist state. I acknowledge that it is the prerogative of the people of South Africa to decide the question of which economic system they decide to follow after liberation.

But, at present, I warn that it is not wise to

do what the English describe as "cutting off our noses to spite our faces". It is not possible to negotiate in South Africa in the midst of chaos and bloodshed.

It is easier to promote anarchy and bloodshed if the country is destabilised and if the economy is in ruins. I, therefore, appeal for commonsense and wisdom whenever workers feel that they should use their prerogative to go on strike.

Whoever rules South Africa in another decade or two will need the wealth which can only be created through a stable economy. Let us not destroy the future of our children and of their children's children.

Inkatha realises how important it is for black organisations to be united. Inkatha knows that there can be no solution to South Africa's problems without that unity. I feel sure Uwusa will follow the same policy.

At the moment Uwusa is a young trade union. It still has a long way to go to consolidate its position. It needs to concentrate on this aspect rather than be preoccupied with political one-upmanship games which have cost so many black lives at this time.

I am saddened by the fact that I am speaking to you at the time when more than 500 black people have died at the hands of other blacks. This is both tragic and sad. It does not augur well for the future of this country.

Inkatha will pursue its policy of non-violence and negotiation. Inkatha believes that we can join hands as black organisations in the interests of our struggle without uniformity as a price for such united action.

I have no intention of interfering in Uwusa's affairs now that they are standing on their feet. I have made sure that this is the case by ensuring that members of Uwusa who hold office in Inkatha resign their positions with Inkatha. I do not want Inkatha to be accused of breathing down the necks of Uwusa's leadership.

SOUTH AFRICA

RESISTANCE, REPRESSION GROWING IN HOMELANDS

Johannesburg THE STAR in English 21 Apr 86 p 10

[Article by Jo-Anne Collinge: "Now Homeland Masses Join the Political Struggle"]

[Text] Cycles of township resistance since 1976 have made the Nationalists realise that urban blacks have to be accommodated politically outside the homelands. The State President's Rubicon 2 speech indicated that the reform scenario would be stretched in an attempt to do this.

Now battles against apartheid are being waged at a mass level inside the homelands, challenging the very foundations of grand apartheid.

Even the more "liberal" of these satellite "countries" — Bophuthatswana, kaNgwane, Gazankulu and, especially, Lebowa — are having to deal with popular resistance.

Workers for relief and development organisations inside Lebowa say political resistance and police repression of this activism have reached unprecedented levels.

Operation Hunger, which functions throughout Lebowa, says there is hardly an area where the young people are in their classrooms. Clinic staff tell of the scores of injured children they treat after clashes with the police.

Mrs Ina Perlman, director of Operation Hunger, says violence motivated by superstition and belief in witchcraft has also risen alarmingly and several multiple killings have never been reported in the media.

The United Democratic Front refers to a "simmering rural revolt throughout the Transvaal" but distances itself from the practice of witchcraft and the extraordinarily violent response of superstitious people to this.

The Northern Transvaal is the UDF's newest region — formally constituted at the beginning of the year and centred on Lebowa. It now has about 100 affi-

liated organisations.

Among the most coherently organised areas is Lebowa's Sekhukhuneland — where the Boers had many bloody clashes with the northern tribes during the last century. It was also the scene of the Sebatakgomo peasant revolt of the 1950s.

It is here that two members of Parliament and a number of chiefs are rumoured to have resigned their positions, allegedly in protest at the treatment of their people at the hands of the Lebowa police.

The two MPs, Mr MS Masha of Apiesboom and Mr J Scopela of Schoonoord, are said to have decided to quit at a public meeting called to form the Sekhukhune Parents' Crisis Committee in the wake of police action against mourners at the funeral of Lucas To-koane Molopo in mid-March.

"At the meeting we called for the resignation of the Lebowa police, who our people, and for the resignation of Lebowa MPs because the police get their mandate from Parliament," Mr Japhta Thobejane, co-ordinator of the Sekhukhune Youth Organisation, said recently.

"We pointed out that the government the MPs are serving does not serve the people but its own purposes."

The Star has been unable to obtain official confirmation of the resignations, but other MPs and senior government officials are aware of the claims that some of their colleagues have quit.

There are activists who assert that the old spirit of Sekhukhuneland is reasserting itself, and that chiefs who have lain low since the 1950s have been en-

couraged to show their sympathies by the re-emergence of a national movement against apartheid.

This may be a factor. But resistance in Sekhukhune and the rest of Lebowa has much in common with the style of anti-apartheid organisations in the urban townships.

The most widespread form of organisation is the youth congress, which may include school pupils but is usually spearheaded by young workers and unemployed young men.

In the Sekhukhune area the Sekhukhune Youth Organisation is an umbrella body, with about 30 individual youth congresses, organised at village level, affiliated to it.

Within particular villages — as for instance in Steelepoort — the youth congress co-ordinates its work with women's, pupils', workers' and civic organisations.

The structures, activists point out, are a rural equivalent of the street committees and neighbourhood organisations established in the urban townships since the state of emergency was announced last year.

Popular organisations in Lebowa have taken up the national education issues and they have posed themselves as an "alternative" civic body by handling public projects such as clean-up campaigns.

They have also taken up distinctly local issues — such as protest against enforced contributions to a company-owned recreation club in Eerstegeluk, protest against a chief at GaPasha who allegedly failed to pay women workers and spent public funds "on a building meant just for the collection of more money, like Lebowa taxes".

Many protests and campaigns have allegedly provoked police intervention and the cycle of violence familiar to the townships has set in. Since the blanket ban on outdoor gatherings holds good in Lebowa, action against "illegal gatherings" is inevitable.

As crowds are dispersed with tear-gas and sjamboks, arrests are made, which result in protest boycotts of classes, demonstrations at court appearances — and further police intervention. Lives have been lost and funerals have inevitably yielded additional victims.

Violence has escalated on both sides.

Youths have burnt homes of policemen and government buildings, set buses alight and stoned vehicles.

For instance, the car and home of the Minister of Education, Mr S P KwaKwa, were set alight in Mahwelereng. Two buses of the Lebowa Development Corporation were burnt in the Tafelkop area because the corporation was perceived to have collaborated with police at a funeral where six activists were shot dead.

There has been a number of reports recently of concerted campaigns of assault (sjambokkings and beatings) on Lebowa residents, from Seshego in the north, to Namakgale in the east and Mahwelereng in the south.

The injuries have been severe. The Star has seen two victims who have lost the vision of one eye and has interviewed a teenager who required a week in hospital after a sjambokking.

UDF affiliates claim that between 40 and 50 civilians have lost their lives in recent political violence in the Northern Transvaal. If the troubled Moutse/Dennilton area is taken into account, this figure is not out of line with deaths reported to the Press.

Two political figures have died within hours of being detained and two key activists' homes have been bombed by unknown persons.

The Deputy Commissioner of Police for Lebowa, Colonel P Moloto, says statistics on political deaths in the homeland have been compiled but they will not be available until presented in the Legislative Assembly.

He concedes there has been a dramatic upsurge of violence. "What has happening in other areas is now happening in Lebowa."

The secretary-general of the South African Council of Churches, Dr Beyers Naude, puts it more strongly: "There is a situation of civil war in the Northern Transvaal in which innocent and defenceless people are confronted daily with the spectre of brutal repression in the form of apartheid's war machinery — helicopters, Casspirs, Buffels, etc.

"The people in the area no longer feel safe in the presence of the police. Many are fugitives in their own villages — they have fled and are now living in the mountains in caves. The old people in the villages are terrified — many are being beaten up. Even chiefs have been detained and beaten."

Colonel Moloto said he did not want to comment in detail on the extent of political resistance and the form of response.

SOUTH AFRICA

ALEXANDRA LATEST TOWNSHIP LAUNCHING BOYCOTT

Johannesburg THE STAR in English 21 Apr 86 p 3

[Article by Rich Mkhondo: "Consumer, Rent Boycotts Begin in Alexandra Today"]

[Text]

Yet another township was added to the growing list of black residential areas calling for a consumer and rent boycott when Alexandra launched a similar campaign at the weekend.

Alexandra, adjoining Sandton, became the 13th township to announce a boycott of white-owned shops. Residents have also been urged to stop paying rent and service charges to the already crumbling town council from today.

The decision comes only two months after scores of people were shot dead or went missing in the township.

A few weeks ago residents of Kagiso and Munsieville near Krugersdorp; the Pretoria townships of Mamelodi, Atteridgeville, So-shanguve and Mabopane; three townships in the Port Elizabeth area and three in Nelspruit resumed a boycott of white-owned shops.

The Alexandra Boycott Committee (ABC) said it resolved to launch the boycotts because of the "continued occupation of our township by members of the security forces and other pressing demands that authorities had turned a blind eye to".

"Detentions and police brutalities continue despite our pleas to the Government to abandon them and other inhumane laws," the committee said.

"They have the arms with which they continue repressing us. But we have the buying power.

"Our demands are simple: We want troops out of our townships, the recovery of missing corpses and people, the release of all political prisoners and the unbanning of all political organisations.

"We demand the immediate recognition of students, and on

the home front, we demand that rentals be lowered to a level that everybody can afford. Adequate electricity should be installed in the township."

The ABC said certain black-owned shops would be boycotted because of their owners' "collaboration with the system" and that all people working for "repressive" Government bodies would be socially isolated.

Since unrest started in the area, several policemen and more than half of the town councillors have resigned, saying "they want to go back to the people".

/12851

CSO: 3400/39

SOUTH AFRICA

BLACK HOUSING CRISIS EXAMINED IN LIGHT OF DEFUNCT PASS LAW

Johannesburg THE STAR in English 5 May 86 p 12

[Article by Jo-Anne Collinge]

[Text]

Housing authorities will have to perform feats unequalled in the history of township planning to ensure that "approved accommodation" does not become as drastic a form of influx control as the defunct pass book.

By official tallies, the shortage of housing for black people stands at 420 000 units in "white" South Africa, 134 000 in the homelands and 15 000 in areas earmarked for the homelands — well over half a million units.

A measure of past performance is that State housing stock in the townships of "white" South Africa stood at about 347 000 units when they were put up for sale two years ago.

In other words, just keeping the present urban population living under an "approved" roof in town, will mean an immediate demand for more homes than State housing authorities have provided since World War 2.

Play part

But it won't all be left to the Government to plan and build homes. The private sector, the homeless themselves and possibly organised labour will all play a part in what is likely at times to become quite literally a battle for housing.

South Africa, like other Third World nations, faces enormous financial problems in relation to housing — with a large industrial work force paid below the poverty

line, subject to high levels of unemployment and quite unable to afford economic housing rates.

The practical solution in many Third World countries has been simply not to provide housing — but to allow people to erect their own shanty structures on serviced sites and to encourage them to upgrade these as cash becomes available.

Or, where extensive squatter settlements already exist, the strategy has been to introduce services — piped water, sewerage, drainage, refuse removal — into these areas.

The Government has made clear that site-and-service and controlled squatting is the direction in which the country is headed.

The "self-help" housing answer has weathered heavy criticism, for instance in Latin America, where it has been seen by the Left as just one more way of doing the poor out of the fruits of their labour.

In South Africa the implementation of this controversial housing strategy is complicated by racial laws, which have created a problem of landlessness far exceeding that in most other Third World countries.

The homelands, of both the independent and self-governing variety, take up only slightly more than 13 percent of all South Africa. And, unless the Trust and Land Act of 1936 is changed, this allocation will remain.

Outside the homelands the Group Areas Act is the mechanism which provides for the racial zoning of all land. It is common cause that this Act has been administered overwhelmingly in favour of the white group, which occupies spacious low-density suburbs — while various black communities

are crowded into their segregated townships.

The coloured and Indian communities, not subject to the pass laws, have long raised the cry that lack of land and housing has obstructed their free movement and their access to jobs. In sheer desperation thousands have flouted the Group Areas Act, moving into established "white" areas in cities such as Johannesburg and risking a criminal charge.

A relatively small number of black people followed suit, deterred or defeated by the additional barrier of the pass laws and financial considerations.

The more common answer for homeless black people has been squatting on open land which may be zoned "white". In doing so they have created not only such vibrant and resolute communities as Cape Town's Crossroads and Uitenhage's Langa, but innumerable little

clusters of shanties in back yards and open corners of the townships and on small holdings on the urban fringe.

Housing specialist Mr Mark Swilling, of the University of the Witwatersrand, predicts squatter initiative, as much as clinical planning, will be the force that will continue to push forward the frontiers of urban settlement.

He agrees that "controlled squatting will involve at least the surveying of land and provision of some services" — which will take considerable time.

In the meantime, he points out, "the classic land invasion as in the 1940s" is already well under way in certain areas — such as Uitenhage and Port Elizabeth in the Eastern Cape.

He refers to studies which estimate that Port Elizabeth's Soweto shanty town runs to 120 000 people — or a third of the black population of the city — living on what was intended to be a "buffer strip" between the township and the city.

In Uitenhage, Mr Swilling points out, hundreds of squatters have settled themselves on land belonging to the white municipality, adjoining Langa township.

About 80 of these families are due to have their shacks torn down. Despite this, he says, more people are moving in daily in the belief that they can offer greater resistance in bulk — and stand a chance of securing the land for themselves.

The Government White Paper points to two possible responses to squatter settlements. They could be razed to the ground by the owner of the land or by the local authority and the inhabitants could be forced out of the city. Or they could be designated emergency camps, earmarked for upgrading and the respectability of recognition as approved accommodation.

"The outcome will depend on the organisation of the community," says Mr Swilling. He foresees a contest running to many rounds, perhaps like the Crossroads/Nyanga saga in which shacks were repeatedly demolished and rebuilt.

Coming battle

He also predicts that South African squatter communities may not be prepared to settle for self-help in its most austere form. "I think the coming battle will be about two issues: land and the refusal of communities to pay entirely for their own upgrading. They will demand some subsidisation."

A recent survey in Langa concluded that the community was so poor it could not afford even rudimentary upgrading without outside help.

Mr Swilling says there are also signs that the Government foresees more diversified township complexes, combining private developments, the old State-built tracts and expanses of site-and-service.

Perhaps the central message is that influx control by the pass book was suffered in isolation. Influx control by housing will affect whole communities and as such begins to demand solutions and attract resources.

SOUTH AFRICA

BRIEFS

FENCING OF HOMELANDS--The Government is to continue with its ambitious programme to fence in the independent homelands at a cost of R4.5 million for this year. Officials of the Department of Public Works and Land Affairs say the programme complies with international practices and is no different to the fencing off of Mozambique, say officials. A spokesman for Land Affairs said the fencing programme started about five years ago. This year, R4.5 million would be needed to maintain existing fences and erect new ones. About 1,000 km of fencing will be erected and will cover boundaries with Bophuthatswana, Ciskei, Transkei, Venda, Lesotho and Swaziland. In terms of agreements reached with some of the independent states, they will be responsible for putting up some of the fences. These physical boundary lines would not cover all the border areas, but would be put up where the needs were the greatest and after consultations with local farmers and agricultural unions, he said. The spokesman added that the fences were in line with international standards and were not security fences. [By Kym Hamilton] [Text] [Johannesburg THE STAR in English 24 Apr 86 p 15] /12851

COSATU ANTIPASS CAMPAIGN --The Congress of South African Trade Unions (Cosatu) is to establish anti-pass committees in preparation for a coordinated anti-pass campaign, Cosatu leaders said yesterday. Rejecting recent moves by the Government at reforming influx control laws, Cosatu's general secretary, Mr Jay Naidoo, said there were attempts to reintroduce the pass laws through the back door. Mr Naidoo said the anti-pass campaign would be discussed with other progressive groupings and the federation would call a national meeting soon to finalise Cosatu's position. Cosatu president Mr Chris Dlamini said Cosatu had endorsed the decision of the recent National Education Crisis Committee conference in Durban that June 16 be declared a National Youth Day. It was accepted that workers would not go to work on June 16, he said. He said Cosatu membership was yet to decide whether to stay away from work on June 17 and 18, as suggested by the Durban conference. Cosatu would also hold rallies in all the major centres to celebrate the 1946 mineworkers' strike and the 100th anniversary of May Day. [Text] [Johannesburg THE STAR in English 15 Apr 86 p 4] /12851

BLACK POSTAL WORKERS UNION--The Department of Posts and Telecommunications has agreed, in principle, to the formation of a black workers' association, a spokesman for the post office workers said yesterday. This emerged after a meeting held at the weekend between the Postmaster-General, Mr Johan de Villiers, and worker representatives in Pretoria. Mr Vusi Khumalo, a spokesman for the workers, said formation of the association was subject to the following conditions: °That the workers must submit a draft constitution; °Executive members must be democratically elected. On parity for workers, Mr Khumalo said Mr de Villiers had defined that as meaning "equal pay for equal qualifications and job opportunities." He said the Postmaster-General explained that parity on the technical side existed from the rank of technicians and senior telecommunications electrician upwards. On the postal side, it started from postmasters, from grades four to one, in that order. "With regard to the ranks that have not yet received parity, Mr de Villiers said parity will be realised possibly with the next general salary reviews." [Text]
[Johannesburg THE STAR in English 24 Apr 86 p 6] /12851

CSO: 3400/39

SOUTH AFRICA

SKEPTICISM SHOWN AT EFFECTIVENESS OF PASS LAW REMOVAL

Durban POST NATAL in English 23-26 Apr 86 p 12

[Commentary by Ameen Akhalwaya in My View Column: "Goodbye, Dompas!"]

[Text]

THE State President's announcement that the pass laws are no more has been widely welcomed.

Of course, black people, after a lifetime of listening to white promises, are not exactly over-enthusiastic. They want to see the fine print first.

For example, what exactly is the "uniform" identity document the Nationalists keep referring to?

Well, this column can reveal exclusively what it is all about. The revelation comes courtesy of a local wit, who wishes to remain anonymous in case he is accused of being a racist.

"The uniform ID," explains our man, "will work as follows: 'Indians' will have their ID pictures taken in saris and dhoties, 'coloureds' in colourful outfits, 'other coloureds' in any gear not worn in these categories, 'Africans' in maids' and workmen's overalls, and whites in military uniforms."

Seriously though, while Mr Botha is being coy about the exact nature of the new document, his call to Africans to keep their dompasses as temporary IDs makes a change from Dr Ver-

woerd, who regarded Africans as temporary sojourners in the urban areas.

But is Mr Botha genuinely going to allow Africans freedom of movement, or are we being unnecessarily sceptical? After all, years of experience have taught us not to accept Nat statements at face value.

This was brilliantly captured in a cartoon strip a few years ago by Richard Smith. I can't recall the exact caption, but it went something like this: Prime Minister John Vorster addresses a group of blacks. "I know the pass laws cause a lot of misery, they overstretch the police force, they fill up the jails.

"So please chaps, do carry your passes at all times."

That this is still Nationalist-type thinking is shown in Information Chief Louis Nel's utterances on SABC-TV's *Network* last week.

Question

On the perennial question of Nelson Mandela's release, the Minister raised the usual commie bogey, and reiterated his Government's demand that the ANC leader renounce violence.

Implicit in that statement is that the Government itself does not practise violence. Mr Nel seems to ignore the violence his Government has practised over the years.

In case in his smugness he forgets, he might care to tell us how many thousands of people have been forced to leave their homes at gunpoint and be resettled in areas they did not wish to go to.

Does he forget the violence against the people of Sharpeville when they protested peacefully against the pass laws in 1960? Indeed, does he forget the violence of last year's Langa shootings?

Does he forget the violence on Steve Biko that ended a brilliant young man's life? Does he forget the violence on people who died in detention?

Does he forget the psychological violence of detention without trial?

That is only a small part of the violence his Government has perpetrated on the people.

This column has regularly come out against violence in any form from any side, but one must be careful of the Nationalist chant that the Government is merely reacting in a forceful way against unruly thugs who are a threat to law and order because they are being manipulated by the ANC and the communists.

What would Mr Nel have done if he were a young black man forced to live in a matchbox house in an overcrowded ghetto, while an economically and politically privileged white man lords it over him in his own country?

In the same vein, Mr Nel — and the white media in general — are having a go at Mrs Winnie Mandela for her views about liberating South Africa with matches and necklaces.

For all her life, she has been a third-class citizen in the land of her birth, the land of her ancestors.

She has been hounded by the Nats, banned and banished to a remote dorp.

She has suffered much, for being the wife of Nelson Mandela, for being a person in her own right, demanding the dignity that any human craves.

She has been abused in the most callous way. What did Mr Nel — and the white media — expect her to say. That she is sorry for standing up for justice and a fair deal for all the people of this country? That she has seen the light and will now work with her oppressors to impose their brand of justice on others?

Media

That she is sorry she didn't see that the Nats were doing their best by banning and banishing her? That she will renounce violence because the Government has decided to renounce violence and introduce a true democracy?

What is more sickening is the sanctimoniousness of the white media — here and abroad — who have attacked her for saying what many blacks (rightly or wrongly) see as the only way out?

Did these hypocritical media support some of the non-violent methods that blacks have used, such as supporting sport and diplomatic sanctions against the perpetrators of apartheid?

In the end, the foreign or local media will not bring justice to South Africa. Their attempt to destroy Mrs Mandela's credibility is a method of diverting attention from the real issues. It may work among whites, but it enhances her credibility among blacks.

The Nats can scrap the pass laws, but that will not alter the fact that Mrs Mandela is still a third-class citizen, and kept at that level virtually at gunpoint.

SOUTH AFRICA

HESITANCY OF INDIANS TO JOIN ARMY NOTED

Durban POST NATAL in English 23-26 Apr 86 p 12

[Editorial: "Why Indians Will Not Join the Army"]

[Text] IT'S strange, but true, that after more than 125 years in this country, most Indian South Africans have yet to understand the true meaning of the word "patriotism".

The word may succeed in evoking memories of brave deeds of distant heroes in defence of their fatherland, but it fails to ignite the latent fires in their own hearts.

And who can blame them?

For more than a century now, they have been subjected to a host of discriminatory laws that have rendered them second class citizens in the land of their birth.

They looked for homes, but got resettlement.

They pleaded for work and got job reservation.

They wanted equality, but were dished out discrimination.

They even demanded the vote, but were fobbed off with a poor imitation through an "own affairs" Chamber in Cape Town.

Over the past 40 years of National Party rule, every aspect of their lives has been rigidly controlled by the Government's evil policy of separatism.

It is against this background that the Government now says it wants to extend conscription to the Indian community. And it comes as no surprise that the move has been rejected by Indians across the political spectrum.

But let there be no misunderstanding of the situation. Indian people dearly love their country and will not hesitate to take up arms in defence of South Africa against a foreign enemy. But to join the army to defend apartheid and all it stands for is anathema to them.

Their message to the Botha Government is clear: abolish apartheid and we will be proud to join the army to defend our country. Just give us a chance to show our patriotism.

/12851

CSO: 3400/1639

SOUTH AFRICA

BRIEFS

SURVEY ON WORK SATISFACTION—Most White South Africans were "happy" in their work and say they are "very satisfied" or "fairly satisfied," according to a Gallup poll conducted among 600 White men and women working in urban areas. The poll, released yesterday, said men seemed to get more satisfaction from their jobs -- 60 percent said they were "very satisfied," compared to 51 percent women. The survey found age was important, with people over 34 getting the most job satisfaction. Afrikaners (63 percent) were more satisfied with their jobs than English-speaking people (51 percent). The poll said "education does not seem to make for happiness at work." While 60 percent of people without a matric were "very satisfied" with their jobs, only 55 percent with university degrees agreed. [Text] [Johannesburg THE CITIZEN in English 1 May 86 p 3] /12851

CSO: 3400/1639

SOUTH AFRICA

ECONOMIST SEES FEW SIGNS OF UPSWING IN ECONOMY

Johannesburg THE CITIZEN in English 23 Apr 86 p 27

[Article by Madden Cole]

[Text] INDICATIONS are that the downswing reached a low point in the third quarter of 1985, but there have been few signs since then of a general improvement in economic activity, says Sanlam's chief economist Johan Louw.

Writing in the Sanlam Economic Review he says it is not all certain that the additional expansionary measures announced in the latest Budget will be sufficient to ensure an appreciable economic revival in 1986.

Problems of the past year, inflation, political unrest, sanctions and boycott threats as well as the foreign debt, are still seriously impeding the South African economy's potential for recovery, he says.

"Whether a real economic growth rate of three percent will be achieved in 1986, will depend largely on another good year for agriculture, a substantial increase in Government/capital expenditure, moderate stockpiling and a continued contribution from our net foreign trade."

He feels therefore that the current end of the downswing reflects nothing more than a levelling off of real activities at the extremely low levels which they reached in the recent recession.

In support of this argument he cites the 8 percent decrease in real domestic demand last year and the high inflation rate and tax burden have plunged many individuals into a serious financial crisis.

Sluggish demand conditions, interest rates and rising costs have also led to the failure of many companies.

Nor does he see a reversal of this trend as long as the primary driving force for an increase in spending, higher labour remuneration, is missing. The tax relief measures announced will not even compensate individuals for higher inflation, while only moderate wage and salary adjustments are expected.

Referring to inflation, Mr Louw believes the rate will reach lower levels in the second half of 1986 and the consumer price index could be about 15 percent higher than in December 1985 if the rand remains at its present level. For the year as a whole he estimates an average inflation rate of about 17 percent.

Interest rates could show a moderate drop in the next few months as a result of the present sluggish domestic economic situation, but could firm later in the year if economic activity starts gaining momentum, Mr Louw says.

23 May 1986

SOUTH AFRICA

ECONOMIST OPTIMISTIC ABOUT ECONOMIC PERFORMANCE DURING 80's

Johannesburg THE STAR in English 5 May 86 p 16

[Article by Stan Kennedy]

[Text]

South Africa's economic performance during the 1980s has not been as poor as many contend, says consulting economist Dr Gad Ariovich.

Writing in *Capital Projects Bulletin*, he says that although SA's average growth rate was a sluggish 2,7 percent a year, it matches the world's average.

Even in the 1960s, SA achieved sound economic growth and was only slightly below that of the rest of the world.

The same can also be said for the 1970s, when SA registered an annual economic growth rate of 3,4 percent while the world grew at 4,4 percent a year.

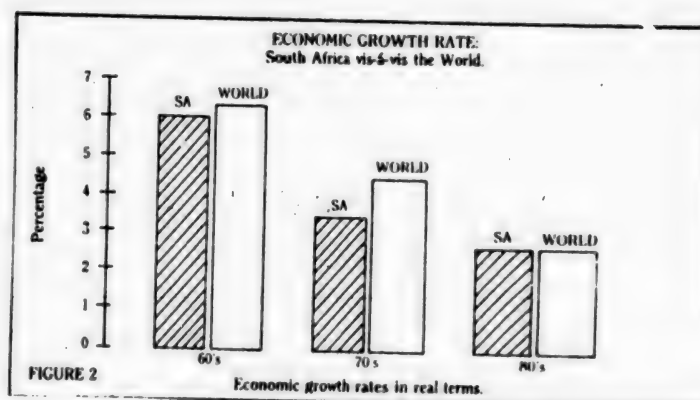
Dr Ariovich says South Africa's economic growth has been higher than most of the developed countries but below the growth rate of many of the developing countries, especially in the Far East.

Labour growth, he says, is usually assumed to decline over time as per capita incomes rise. This is due to the tendency to reduce the size of the family.

"The key to economic progress, as defined in terms of rising per capita income, therefore consists of capital accumulation or, in other words, investment."

South Africa's share of gross capital formation in gross domestic product of 0,26 is above the average international share of 0,24, perhaps because much of the investment here is capital intensive.

He says countries tend to gen-



erate most of their capital formation from internal sources.

For a group of developing countries investigated, 16,4 percent of their capital formation was financed by external sources from 1970 to 1982.

Developed countries examined over the same period showed that only 3,2 percent of their capital formation came from foreign sources.

In South Africa, six percent was provided by foreigners.

"All of which implies," says Dr Ariovich, "that the role of foreign capital in economic growth is limited and that most countries have to generate their economic growth from internal sources."

"Highly dependent on the volume of investment are the engineering industries ... and between 1981 and 1985, the country suffered a negative rate of gross domestic fixed investment in real terms.

"Instead of the normal accumulation of capital, South Africa actually consumed some of its means of production."

He says this negative development can be largely ascribed to monetary and fiscal policies.

Monetary policies aimed at raising interest rates to reduce money supply growth and fight inflation created widespread depression in the construction and manufacturing sectors.

The shift in composition of government expenditure towards more consumption and less investment also contributed significantly to the present depression in many industries in the real economy.

"It seems that the economic recession is bottoming out and that economic activity will start picking up over the next year.

"The consensus forecast suggests an economic growth of three percent this year, compared with an estimated negative 1,5 percent in 1985."

Dr Ariovich sees the start of the Mossel Bay project, on which R3,5 billion will be spent, as having a beneficial effect on the heavy engineering industries.

/12828

CSO: 3400/1689

SOUTH AFRICA

SBDC SEEKS FINANCING FOR BLACK BUSINESSES

Johannesburg THE STAR in English 19 Apr 86 p 1

[Article by Michael Chester]

[Text]

Initiatives have been launched to raise R5 000 million over the next five years to finance a nation-wide network of new small businesses to bring black entrepreneurs into the economic mainstream and crack critical unemployment problems.

Spearheading the drive is the Small Business Development Corporation (SBDC), which has opened talks with the Department of Finance on radical proposals to induce the private sector to invest in issues of special new bonds with Government guarantees of sound investment returns.

SBDC managing director Dr Ben Vosloo said he expected Government approval of the scheme to launch Small Business Bonds to be announced in the next few months.

Recent estimates showed that the value of new projects planned inside the so-called white areas over the next five years amounted to R5 700 million while the total earmarked for black areas was little more than R500 million, he said. Radically new thinking was needed to correct this "nonsensical imbalance", he said.

Most of the cash will go to black townships for shopping centres, on a par with white suburban facilities, industrial complexes and informal sector businesses.

The bonds will be available to investors in general, but the SBDC intends tapping the multi-billion-rand cash flows of the giant insurance companies and pension funds.

Dr Vosloo said a significant breakthrough had been achieved with an agreement unveiled yesterday in which the corporation signed a joint venture with the Federated Insurance group to put up R2 million for a sophisticated shopping complex in Eldorado Park next to Soweto.

/12851

CSO: 3400/40

SOUTH AFRICA

WESTERN COMPANIES DEFY OIL EMBARGO TO DELIVER OIL

Lusaka ZAMBIA DAILY MAIL in English 28 Mar 86 p 4

[Text]

DAKAR. — The Pretoria regime has been meeting the challenge of getting banned oil shipments into the embattled racist republic with the willing connivance of certain Western oil and shipping companies

These companies have established several schemes to ensure oil reaches South Africa and their methods have been exposed by the Netherlands-based Shipping Bureau. Several of the methods employed in shipping crude oil to South Africa include secret port calls, false destination certificates, mixing of oil to negate chemical analysis of origin, trans-shipment at Rotterdam or by ship to ship.

Two oil shipping companies, Marimpex of Hamburg, West Germany, and A.P. Moller of Denmark, were named in 1985 by the Bureau as running the "oil ban gauntlet" to South Africa. The companies have thus broken the UN General Assembly embargo on oil shipments to apartheid-land.

The sanction has the support of OPEC, the OAU and the World Council of Churches. Others include the International Confederation of Free Trade Unions, the World Federation of Trade Unions, the International Labour Organisation and the European Parliament.

ENSURE

Despite such supporters, "oil ban busters" have attempted to ensure sec-

recy of their illegal operations by employing a number of schemes. One scheme involves the purchase of old tankers to reduce the risk of damage, detection and retaliation by those nations applying the embargo. Marimpex, for example, acquired ships 10 years — 13 years old at the time of purchase. By the time this ploy was detected, the tankers had gone to the scrap yards. A.P. Moller had also resorted to the same tactic.

TANKERS

A further advantage in using such tankers is that they can be deployed in dangerous areas such as the Iran-Iraq War zones. Tanker losses of this vintage are financially less debilitating than new vessels. Many such ships have

been either caught in the crossfire of the Gulf War or deliberately hit at the approaches of the Iranian oil terminal at Kharg Island.

Furthermore, these old tankers can be scuttled to avoid detection after delivery of their boot-legged cargo. An example was reported on 14 February, 1986, in the Paris-based **International Herald Tribune** newspaper.

A Greek sea captain, Demitrios Gedgoulis, was jailed on 13 February in Piraeus, Greece, for 12 years for embezzlement and deliberately sinking a 92,220-ton supertanker off Dakar, Senegal, on January 17, 1980. Gedgoulis had delivered about 180,000 tons of crude oil from Kuwait to Durban, South Africa, aboard the tanker *Salem*, in December 1979.

This operation, undertaken with the reported consent of Shell Oil Company, was in clear defiance of an Arab oil ban, the paper said. The paper reported the captain as saying that he was under instruction from its Greek owner — a man named Daglas — to sink the *Salem*.

The Shipping Research Bureau disclosed that **Maersk Line** tankers made at least 20 secret calls to South Africa in 1983. Only four of these calls were reported by the **Standard Shipping Industry** publication which reports nearly all port calls by the world's commercial fleet. Moreover, A.P. Moller's weekly, ship movement reports to the Danish shipping Press, never contained indications that certain of its tankers called at South Africa.

FLAG

Marimpex skirted past West German law pro-

hibiting oil shipments to South Africa by registering under a flag of convenience. The Bureau cites that from December 1980 to May 1983 at least 10 tankers delivered crude oil to South Africa.

All the shipments originated from Rotterdam, Europe's major oil transshipment port, where bonded crude oil is stored temporarily. These 10 deliveries added up to 1.37 million tons of crude oil over a two-and-a-half-year period, amounting to 550,000 tons a year. Such secret deliveries were still in operation until last year.

Ship-to-ship transshipment is another form of concealment and carries the advantage of mining. The tanker running the embargo anchors off a port and awaits one or more tankers to come alongside to discharge and partially fill its hold with oil. The tanker then sets sail for other ports to top up with oil from other sources before proceeding with the contraband to South Africa. As a result of this blending, laboratory analysis designed to identify the country of origin of the cargo is never possible. In this way the country imposing the embargo cannot verify if its ban is being obeyed.

COMPANY

Sometimes secret "charter" pacts are concluded to ship oil consignments. Because of confidentiality clauses, ship-owners or managers are kept from disclosing the identity of the oil company in whose order the oil is shipped. This is a deviation from normal practice of publicly reporting charter parties to the international shipping Press. Temporary companies, known as "letterbox" companies, are also set up only to fold after delivery of consign-

ments.

Marimpex operations have been fronted by a Norwegian firm, Fearnley and Eger of Oslo. In this way Norwegian shipping companies have delivered to South Africa more than 25 per cent of its crude oil needs. Yet only seven per cent of the world's tanker tonnage is under Norwegian control, the Bureau said. Norway, an oil producer, will soon require Norwegian ships to report all South African calls to the Norwegian government.

Another ploy brought into play is secret port calls. "Oil ban busters" do not report calls at South African ports to the International Shipping Industry publication. Thus an oil runner will sail from a crude oil terminal and return to the point of disembarkation, after several weeks, without having called at a port of discharge.

Where cargo discharge certificates are required, the oil runner will then present forged documents to the oil exporting country, "proving" its oil did not reach South Africa.

Iran has been particularly demanding that it be provided with certificates and Marimpex has evaded this in the past by producing certificates from West German refineries with letterheads of Texaco, Shell or Esso. Whether these oil companies are aware of this deception is not certain, the Bureau said, though Shell is facing a significant oil boycott in Europe because of its shipments to South Africa.

Related to secret port calls is the issue of false destination certificates. When a tanker departs from a port, the authorities at the port of disembarkation should be informed about the ship's intended ultimate destination, but the Maersk tankers, which frequent African ports, often report wrong desti-

nations after discharging crude oil in South Africa.

BUSTERS

The necessity and importance to South Africa for surreptitious operations by "oil ban busters" are such that in 1977 the apartheid regime introduced a secret draconian legislation, which it tightened up in 1978 and again in 1985, to prevent divulgence of any type of oil intelligence, with offenders getting a minimum of seven years' imprisonment.

South Africa has strategic needs for oil and worries that divulgence of any information will prejudice its suppliers. This secret trade annually amounts to about 15 million tons of crude oil valued at 1984-85 prices to about 3,000 million US dollars.

This oil is not just an economic necessity for South Africa, the Pretoria regime needs gasoline products for its dastardly military acts against opponents of apartheid both at home and in neighbouring states. Thus in supplying oil to South Africa the companies concerned are literally "oiling the apartheid war machine."

The violation of the oil embargo against South Africa, especially since oil prices have drastically fallen from 30 dollars per barrel to below 15 dollars in the first quarter of this year, has considerable implications for producers, suppliers, racist regime itself and Africans at the receiving end of Boer barbarism.

Cheaper oil means a stronger South Africa. This means not only increased pressure on the Frontline States in the form of prolonged cross-border invasions under the pretext of going after its armed opponents, but also stepped up repression at home because it has more oil with which to fuel its death machines.

SOUTH AFRICA

BLACK-ORIENTED SHOPS EXCEPTION TO DECLINING RETAIL MARKET

Johannesburg THE STAR in English 24 Apr 86 p 17

[Article by Sven Lunsche]

[Text] The last six months have seen a massive turnabout in the retail industry. The established companies have largely seen their profits cut back substantially, while mainly black-orientated stores have posted succesful interim results.

Frasers, who topped the upper range of analysts' forecasts, increased its earnings by 61 percent, as did Jazz and other major stores which are largely targeted at the black market.

Analysts however feel that large scale black consumer spending will still take a while to come through and Frasers good returns have been described by one stockbroker as the result of its extensive rural store operations.

"In rural areas the pressure of boycotts has been less severe, but more importantly, mine workers have been sending home more of their wages than before," he said.

There is also agreement on the fact that the black boycott of retail stores, apart from being difficult to verify, has not contributed substantially to the dismal performance of the retail sector.

On the other side of the scale, retail giants Pick'n Pay suffered an almost 25 percent drop in its share price after disappointed investors offloaded the shares following the drop in profits in the annual results.

Says Frankel Kruger retail

analyst Mr Jeremy O'Regan: "With the noticeable exception of Clicks and Waltons, the Pick'n Pay results are indicative of the general feeling in the retail industry."

He believes that the steady decline of real income among whites, estimated to be at an annual four percent, and a fiercely competitive market are the main reasons for the setback.

This view is supported by a Pick'n Pay spokesman Mike Marsden: "The general economic climate and the resulting unemployment and depression, have made people more price conscious, if they have any money left. The economy is very soft, while at the same time the market is very competitive."

The downward trend, many analysts claim, started just a few months before Christmas and the poor sales were characteristic of the consumer's price consciousness.

According to the Managing Director of Clicks, Mrs June Kritzinger the consumer trends have been reversed that is, "towards getting the best buy at the lowest costs."

For the first two months Clicks sales were 18 percent up on the previous year and Mrs Kritzinger believes that the trend should continue. Apart from the fact that basic toiletries, the company's major trading item, have registered a tremendous growth as a result of rising black consumer spending,

she says the State President's opening of Parliament speech had created some initial confidence.

Analysts however feel that this has been the exception to the rule. "February has been a terrible month for most of the companies and only slight increases in respect to previous months sales will be recorded in March. Sales are expected to pick up only at the end of April, as the Budget has created a certain amount of optimism and the public service increases will come through at that stage," one broker said.

The Deputy MD of Dion's, Mr Steve Kurland supports this view: "The trend has bottomed out in February and March and

while we have not seen any major increases yet, consumer spending should pick up again in the near future."

An analysis of the various sectors of the retail industry shows that only furniture recorded some positive results at the beginning of the year.

Most analysts have laid the blame for the slump at the general economic recession.

Clive Weil, the Checkers MD however feels that the authorities have misunderstood how tightly pressured the consumers are.

"While Checkers sales have been satisfactory the market overall is still very soft. The massive price increases are making themselves felt."

/12851

CSO: 3400/40

SOUTH AFRICA

CHAMBER OF MINES PRESIDENT ON IMPORTANCE OF NATION'S RAW MATERIALS

Johannesburg THE CITIZEN in English 7 May 86 p 24

[Article by Madden Cole]

[Text] DEMAND for mineral and metal raw materials in Western industrialised countries will increase at a slower pace as they move into a service-industry-dominated period and their reliance on South African raw materials will decline, says Chamber of Mines president Clive Knobbs.

Mr Knobbs, who was speaking at the Mining 2000 seminar, said that many of the materials used in modern industry differed radically from those used in industry in the past.

"Fibre optics are expected to revolutionise communications, largely eliminating copper while spacecraft will be wrapped to an increasing degree in ceramics, composite materials and high performance alloys of metals like titanium."

Although he does not suggest that space-age technology will ignore traditional metals which will continue to be used in quantity, the rate of the increase in consumption however can be expected to decline.

"But we as providers of the more traditional materials cannot ignore these trends. Collectively

they constitute a threat, but a threat to which we will have to give great attention. It is one of the principle challenges facing us in the next two or three decades."

Mr Knobbs points out too that security of supply, which in recent times has become a major issue, has resulted in Government financed and controlled stockpiling of critical minerals, subsidisation and research and development of alternative technologies, in industrialised countries.

"Then there is the fact that alternative sources and stockpiles are available as well while a sense of vulnerability accelerates the drive towards substitution."

He warns that the South African mining industry should therefore maintain its hard-won reputation as an important and reliable supplier of strategic minerals at relatively low cost.

"It is fairly obvious that boycotts of and sanctions by South Africa would harm us considerably more than the consumer countries buying our exports."

/12828

CSO: 3400/1689

SOUTH AFRICA

COMMISSION REPORTS WATER RESOURCES BEING WASTED

Johannesburg THE CITIZEN in English 22 Apr 86 p 10

[Article by Keith Abendroth]

[Text] SERIOUS deficiencies and flaws in South Africa's handling of her precious and dwindling water resources have been pinpointed in the annual report of the Water Research Commission.

The report, released in Pretoria yesterday, makes it clear that a great deal more can and should be done to use available water resources — both above and below ground — more efficiently.

Yet the commission, the umbrella body coordinating research into water in the Republic, has not for the past 11 years received an increase in its funds for research.

Many points are made in the report, and among them the fact that losses in the distribution systems of irrigation schemes are as great as 37 and 40 percent of the water made available to the schemes.

These losses also account for up to 10 percent of the return flow from irrigation schemes — with a portion of the return flow contributing to increased salinity in ineffective utilisation of existing canals.

The commission says that the control of canal losses is the starting point to counter these losses and the commission is supporting a research project aimed at limiting canal losses to the minimum.

The report also pinpoints the fact that the country is not best utilising her ground water reserves.

Two thirds of the country relies heavily on underground water for domestic use, stock watering, irrigation to a limited extent and water supply to the smaller local authorities.

But, says the report, the total volume of ground water used is only about 10 percent of the total amount of water used in the Republic.

At the same time the report points out that better techniques are being developed to improve estimates of the rate of replenishment of ground water reserves through rainwater.

It also pinpoints a need for comprehensive research into the effect and effectiveness of water restrictions, as imposed in their present pattern.

"The acceptable opera-

tion of water schemes that water restrictions should not result in unacceptable economic losses or undesirable decreases in the standard of living."

Not only have all economic sectors in the large areas of the country been affected by restrictions, but the intensity of the restrictions has also varied.

The report presses for greater research on reclaimed drinking water, and points out that a 10 year long study of reclaimed sewage supplied to Windhoek has shown that it conforms to all of the standards set for the

microbiological quality of water.

"There have been no indications that the reclaimed water contained, or spread any waterborne virus or bacteria," says the report.

It presses for desalting of brackish water, pointing out that the cost of this process is considerably lower than that for sea water.

By using this technology further, salt from brackish water could be an acceptable alternative to augmenting shortfalls in the water supply.

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CSO: 3400/40

SOUTH AFRICA

FACTORS IN FUEL PRICE ANALYZED

Johannesburg THE STAR in English 15 Apr 86 p 13

[Article by Gareth Costa: "SA Fuel Price in Line With World Markets"]

[Text]

Contrary to the popular conception that the Government, in cahoots with oil companies, is "ripping off" the petrol-consuming public, the price of fuel is in line with world prices, says an industry source.

But, it does not appear to be so at first glance, when people see world crude prices plummeting and petrol remaining expensive.

However, the price has been reduced twice recently, and it is not easy to adjust to the everyday or weekly fluctuations. But the consumer does not lose out because between every adjustment the price is in an "over or under-recovery" period and consequently money is either put in or taken out of the "slate" to balance the price.

The source said that recently the "over-recovery" has been running at about 13c a litre, but is now a mere 0,5c and around about November it was in an under-recovery of about 6c, while in November 1984 it was 19c in under-recovery. Over time the price is balanced, but there is always a surplus and it is now estimated to be about R200 million.

The price of 93 octane petrol at any time comprises the international daily quoted petrol price, shipping at daily quoted rates to the port of entry, inland railage and fixed SA charges such as margins, excise and GST.

When analysing the price it is

easy to see that just over half the price is in various forms of levies to government.

GST tops the list with 8,9c, then comes transport, which is 7,4c for the PWV area, Customs and Excise 4c, National Road Fund 7c, Central Energy Fund (CEF) 6,6c, over-recovery 0,5c, Equalisation Fund 1,3c, security levy of 0,6c, and the landed cost of 41,5c, which includes the oil company margin of just less than 5c.

The 6,6c CEF levy is again broken up into 3,725c for synthetic fuel projects, 0,055c for preventing oil pollution, 0,22c for administration of the synthetic projects and lastly 2,6c for third party.

An example of how prices are calculated is given as follows:

Say SA receives 25 percent of its crude from the Persian Gulf, and 75 percent from Indonesia.

The prices received are then averaged to get a free on board price (FOB), and the crude is shipped. The FOB price is then converted at the applicable exchange rate and to it is added the cost of shipping which is made up of the market rate, insurance, allowance for loss and landing costs.

The rail costs are then added on for transport to various areas -- these costs are actually more than the total costs of shipping from places as far away as Indonesia. The levy is presently 7,4c a litre in the Transvaal.

All the various other fuel

types, such as diesel and jet fuel, are calculated in a similar way and the distributors experience the same ups and downs of the price but are not so eager to reduce prices when they are falling.

The equalisation fund levy, or as the industry calls it, the "skunk fund", is the premium which SA must pay "for its sins", because of the oil embargo imposed on it.

The 1,3c quoted figure is however, a subsidised one, since not all the country's fuel is imported. Sasol receives part of the 1,3c, which it does not deserve because it does not pay a premium, and so it pays the money back as a subsidy.

In other words the levy is a balance between Sasol production prices and the imported prices.

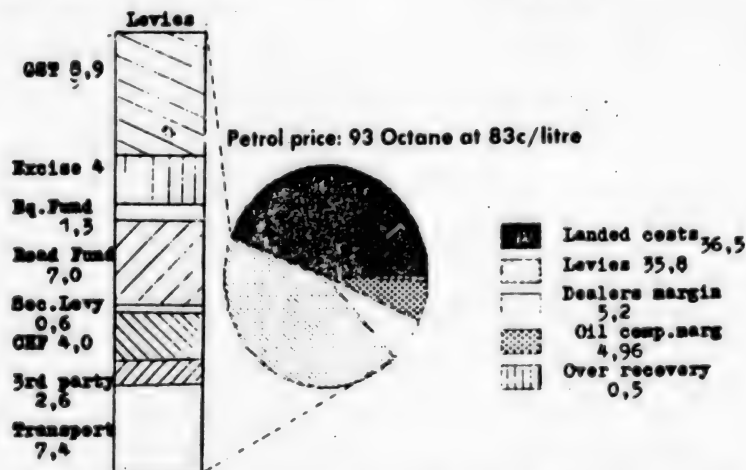
The retail dealer margin and

the oil company margin are the only parts of the structure which can really be said to be controlled, but this does not mean they are supported.

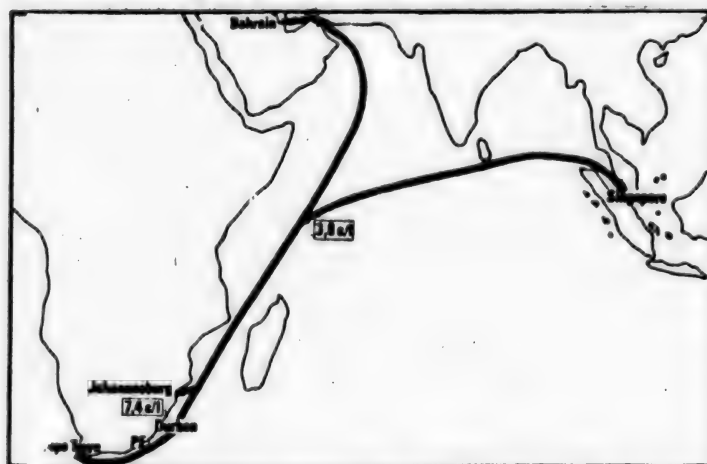
In 1927 a principle was laid down by government that stated that indigenous fuels must compete on both price and quality, and this still applies today.

The 6,6c CEF levy is used to provide working capital for projects such as the Mossel Bay synthetic fuel plant and originally Sasol. The security levy is used to protect the various petrol installations.

It is interesting to note how the 83c a litre SA price compares with European prices. At an exchange rate of 47,50 US cents as of March 25 this year, Denmark pays the equivalent of R1,52 a litre, Italy R1,90, Ireland R1,70, France R1,73 and Portugal R1,65.



The graph shows the transport cost of 93 Octane. When it arrives in Johannesburg the price is almost double the shipping costs.



The April petrol price of 83 cents is made up largely of levies and landing costs. Bar chart shows how the 35,8c of the levy is arrived at.

SOUTH AFRICA

METAL INDUSTRY BEGINS DIFFICULT WAGE TALKS

Johannesburg THE STAR in English 15 Apr 86 p 9

[Article by Mike Siluma: "Recession Casts Dark Cloud Over Metal Industry"]

[Text]

Tough bargaining faces negotiators at the metal industry's annual wage talks, which begin today in Alberton and affect more than 300 000 workers.

The talks take place against a backdrop of an industry severely battered by the recession. Indicative of this has been the loss of about 23 000 jobs in 1985 alone and the continued depressed production levels.

Represented at the negotiations will be the employer body, the Steel Engineering Industries Federation of SA (Seifsa), and 15 trade unions which are linked to either the SA co-ordinating council of the International Metalworkers Federation (IMF) or the Confederation of Metal and Building Unions (CMBU).

The IMF unions' membership is largely semi and unskilled, while those in the CMBU are for artisans.

Although the industry's wage agreement is meant to ensure some form of stable employer-worker relations in the industry, indications are that it may only succeed partially.

With workers demanding an increasingly higher pay to meet the spiralling cost of living, and most companies pleading poverty as a result of the economic downturn, an agreement satisfactory to the unions seems remote.

The unions accept that most companies could have been badly affected by the recession. But some, like the 30 000-strong, IMF-affiliated Metal

and Allied Workers' Union (Mawu), point out that pay rises during the past few years have lagged behind the inflation rate by nearly eight percent.

Another point raised by Mawu is that while the annual negotiations set minimums to accommodate the smaller and less profitable companies, some of the larger ones, especially those operating on the export market, had made good profits as a result of the weak rand. Mawu says those benefits should be passed on to the workers.

It is those companies that workers will approach for increases over and above those decided during the annual wage negotiations.

Last year's wage talks were not any easier, with the unions — except Mawu — signing the agreement only after three months of hard bargaining. Virtually all unions signed the agreement "under protest".

This year, Mawu, which has refused to sign the agreement every year since it joined the industry's industrial council in 1983, has tabled demands which include a new minimum wage of R3,50 an hour plus an across-the-board 50c rise, the recognition of May 1 as a paid holiday and that Seifsa companies should cease doing business with the army and the police.

Seifsa director Mr Sam van Coller has declined to comment on the talks, but the employer federation has acknowledged that recessionary conditions made it difficult to reach an agreement during last year's wage talks.

/12851

CSO: 3400/40

SOUTH AFRICA

INSURANCE FOR MAJOR FIRMS DOUBLE

Johannesburg BUSINESS DAY in English 25 Apr 86 pp 1, 2

[Article by Leslie Lambert]

[Text] THE cost of insuring some of SA's major companies has almost doubled this year, as short-term insurers have continued to grapple with prolonged underwriting losses and tough re-insurance conditions.

Steady increases in the cost of industrial and commercial insurance over the past two years are now being felt most sharply by major clients who have previously received preferential rates.

Brokers have reported a complete turnabout in the industry, with rates for most categories of big corporate insurance being renewed far more expensively than last year, when smaller clients bore the brunt of increased premiums.

This change in rating preference suggests that short-term insurance companies have been forced to put their market share at risk in order to return to profitability, as re-insurers have applied pressure by tightening control, reducing capacity and demanding higher premiums.

Previously, direct insurers tended to load their smaller corporate clients and apply relatively smaller premium increases to their major clients, in attempts to fend off fierce competition and maintain market share.

However, as capacity has shrunk and the need to recoup major underwriting losses has forced reinsurers to reduce their exposure, it has become more difficult for direct insurers to place major risks. Reinsurers have demanded higher income to justify the risks.

In certain cases, rates for some of the large categories of property and liability cover (normally including fire, consequential loss, crime and liabilities) have been pushed up by between 80% and 100%, while smaller increases in these categories have not been much less than

about 35%, according to PFV's Don Galimore.

Not only has insurance become more expensive. Certain vital areas of cover have tightened up considerably as a result of disastrous claims experience.

According to Willis Faber Enthoven broker David Way, fidelity guarantee insurance which covers employees against corporate crime, has become increasingly difficult to purchase, while hail insurance on some fleets of cars in the Transvaal is virtually unobtainable.

The screws have also been tightened on political riot insurance cover as international underwriters have limited their involvement in SA and increased costs. The SA Special Risks Association (SASRIA) which provides this cover on the local market, recently announced higher premiums.

As the cost of insurance has grown, major companies have taken on greater portions of insurance risk, by creating special self-insurance funds and increasing their excesses.

This trend is expected to gain momentum. Already many of the bigger Transvaal companies are estimated to be self-funding up to 40% of their high-frequency low-value risks and paying premium for the remaining 60%.

Many are paying premium and self-insurance costs in excess of R2,5m and rising costs are forcing some companies to reduce cover on major hazards.

Self-insurance has also been introduced into the personal insurance market, where premiums have increased although not as dramatically as in the corporate sector. One leading company has increased premiums in the hail and storm category for individuals living in Pretoria by over 80%. This was because of disastrous claims experienced after last year's Transvaal hail storms.

SOUTH AFRICA

GOVERNMENT TO SELL FORESTS TO PRIVATE SECTOR

Johannesburg BUSINESS DAY in English 25 Apr 86 pp 1, 2

[Article by Chris Cairncross]

[Text] GOVERNMENT is almost ready to sell the State's large commercial forestry interests, including sawmills, to the private sector.

This was confirmed yesterday by officials of the Department of Environmental Affairs, which has jurisdiction over these forests.

More than 1,63m ha of forest land could come under the hammer. Of this, 1,36m ha are demarcated as forest land in terms of the Forest Act.

The prospect of these properties being offered to the private sector has been welcomed by representatives of the SA Forest Owners' Association.

But chairman Bruce McKenzie was cautious as to how successful such a sale would be.

The profitability of the State's commercial forestry activities remained an imponderable at this stage.

This factor was particularly significant because the timber and sawmilling industry had come across hard times and the planting programme was disappointing.

There was also uncertainty as to whether the country's biggest forest owners — basically Anglo American and Gencor — would be allowed to tender for any of the forest land coming up for sale.

This sector is already concentrated, and government has already expressed its concern that the sale of its properties could lead to an over-concentration.

The principle of selling the State's commercial forests had already been accepted in principle.

To set this process in motion, a separate trading account covering the State's commercial forestry activities was created last year.

This should provide the means of determining which areas were commercially viable — and attractive to the private sector.

Other provisions government was still considering were that the proposed sale would not:

- ☐ Unnecessarily impede the conservation functions or necessitate the establishment of additional infrastructure.
- ☐ Through the implementation of alternative forest management practices, negatively affect the supply of specific types of forestry products necessary for a particular processing industry.
- ☐ Harm a commercial industry with a strong and proven socio-economic component.
- ☐ Disrupt or thwart the developing of new products on which a start has already been made.

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SOUTH AFRICA

BRIEFS

TRACTOR SALES DECLINE--Tractor sales for March reached the lowest mark since the last war when records for the industry were first kept, says the SA Tractors Manufacturers Association (Satma) chairman Robin Phillips. "The 320 units which were sold by the industry in March is the lowest ever on record and represents a drop of 58,9 percent for the corresponding month in 1985." The industry also suffered a decline of 43 percent for the first quarter of 1986 over the corresponding period last year." "Very disturbing for this opening harvest season period is that only 33 combine harvesters were sold in March which is 26,7 percent down on last year." The combine industry for the first quarter is down a massive 60,7 percent year on year with only 48 combines sold in the first three months against 122 for the same period last year. The same pattern emerges on other forage equipment, Mr Phillips said. [Text] [Johannesburg THE CITIZEN in English 25 Apr 86 p 23] /12851

SHOPPING COMPLEX IN BLACK AREA--Federated Insurance and the Small Business Development Corporation are to jointly develop a R1,5 million shopping complex in Eldorado Park, Johannesburg. Announcing this yesterday, SBDC managing director Dr Ben Vosloo, said this was the first time an insurance company had undertaken a property development with the SBDC. The Eldorado Park shopping complex is aimed at servicing the needs of the residents of Eldorado Park, Klipspruit-Wes, Nancefield and Buskoppies -- an estimated 125,000 people. The complex will comprise a small supermarket, butchery, bank, laundrette, cafe, pharmacy, liquor outlet and will also provide consultation rooms for a doctor and a dentist. "The insurance industry has been talking to the SBDC for a long time about investing in Non-White areas. Generally, the agreement was that they would like to invest in business facilities in these areas if the obstacles of low returns and security could be overcome," Johannes Hamman, deputy chairman of the Federated Insurance Group said. "We have decided to go ahead with this project because the initial low return is compensated for by the economic growth which this centre will generate in that area." [Excerpts] [Johannesburg THE CITIZEN in English 21 Apr 86 p 21] /12851

NATAL WATER PROJECT--Cape Town--A dam in northern Natal to supply water for the Majuba power station of Escom could also provide almost 2,000 million cubic metres of water each year for pumping into the Vaal River system. A report on the proposed Slang River Government water scheme (Zaaihoek Dam), tabled in Parliament yesterday, proposed a R145 million scheme in Natal's Utrecht district. The scheme is designed to supply water to the Escom power station now being built at Majuba and to provide supplementary water to Volksrust, Newcastle, Dannhauser, Madadeni, Osizweni and Nqutu. According to the report, once the water levels have exceeded the needed local supply and reserve, additional water would be pumped into the Vaal Dam. The completion date for the scheme is March 1989, although water will be delivered to the Vaal River from 1988. Gross revenue from water sales each year would rise from R14-m in 1988-89 to more than R18-m from 1993. [By Brian Stuart] [Text] [Johannesburg THE CITIZEN in English 24 Apr 86 p 8] /12851

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